

BASIC LAWS AND AUTHORITIES ON
HOUSING AND COMMUNITY DEVELOPMENT
REVISED THROUGH JANUARY 3, 1979

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS
HOUSE OF REPRESENTATIVES
96th CONGRESS, FIRST SESSION



PART 2

Printed for the use of the
Committee on Banking, Finance and Urban Affairs

BASIC LAWS AND AUTHORITIES ON
HOUSING AND COMMUNITY DEVELOPMENT
REVISED THROUGH JANUARY 3, 1979

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS
HOUSE OF REPRESENTATIVES
96th CONGRESS, FIRST SESSION



PART 2

Printed for the use of the
Committee on Banking, Finance and Urban Affairs

U.S. GOVERNMENT PRINTING OFFICE

45-705 O

WASHINGTON : 1979

HOUSE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

HENRY S. REUSS, Wisconsin, *Chairman*

THOMAS L. ASHLEY, Ohio
WILLIAM S. MOORHEAD, Pennsylvania
FERNAND J. ST GERMAIN, Rhode Island
HENRY B. GONZALEZ, Texas
JOSEPH G. MINISH, New Jersey
FRANK ANNUNZIO, Illinois
JAMES M. HANLEY, New York
PARREN J. MITCHELL, Maryland
WALTER E. FAUNTROY,
District of Columbia
STEPHEN L. NEAL, North Carolina
JERRY M. PATTERSON, California
JAMES J. BLANCHARD, Michigan
CARROLL HUBBARD, JR., Kentucky
JOHN J. LAFALCE, New York
GLADYS NOON SPELLMAN, Maryland
LES AU COIN, Oregon
DAVID W. EVANS, Indiana
NORMAN E. D'AMOURS, New Hampshire
STANLEY N. LUNDINE, New York
JOHN J. CAVANAUGH, Nebraska
MARY ROSE OAKAR, Ohio
JIM MATTOX, Texas
BRUCE F. VENTO, Minnesota
DOUG BARNARD, Georgia
WES WATKINS, Oklahoma
ROBERT GARCIA, New York
MIKE LOWRY, Washington

J. WILLIAM STANTON, Ohio
CHALMERS P. WYLIE, Ohio
STEWART B. MCKINNEY, Connecticut
GEORGE HANSEN, Idaho
HENRY J. HYDE, Illinois
RICHARD KELLY, Florida
JIM LEACH, Iowa
THOMAS B. EVANS, JR., Delaware
S. WILLIAM GREEN, New York
RON PAUL, Texas
ED BETHUNE, Arkansas
NORMAN D. SHUMWAY, California
CARROLL A. CAMPBELL, JR.,
South Carolina
DON RITTER, Pennsylvania
JON HINSON, Mississippi

PAUL NELSON, *Clerk and Staff Director*

MICHAEL P. FLAHERTY, *General Counsel*

MERCER L. JACKSON, *Minority Staff Director*

SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

THOMAS L. ASHLEY, Ohio, *Chairman*

WILLIAM S. MOORHEAD, Pennsylvania
FERNAND J. ST GERMAIN, Rhode Island
HENRY B. GONZALEZ, Texas
JAMES M. HANLEY, New York
WALTER E. FAUNTROY,
District of Columbia
JERRY M. PATTERSON, California
JOHN J. LAFALCE, New York
LES AU COIN, Oregon
GLADYS NOON SPELLMAN, Maryland
JAMES J. BLANCHARD, Michigan
DAVID W. EVANS, Indiana
STANLEY N. LUNDINE, New York
MARY ROSE OAKAR, Ohio
BRUCE F. VENTO, Minnesota
WES WATKINS, Oklahoma
ROBERT GARCIA, New York
MIKE LOWRY, Washington

J. WILLIAM STANTON, Ohio
CHALMERS P. WYLIE, Ohio
STEWART B. MCKINNEY, Connecticut
RICHARD KELLY, Florida
THOMAS B. EVANS, JR., Delaware
S. WILLIAM GREEN, New York
JIM LEACH, Iowa
ED BETHUNE, Arkansas
DON RITTER, Pennsylvania

GERALD R. McMURRAY, *Staff Director*

ROGER C. FAXON, *Professional Staff Member*

DIANE E. DORIUS, *Assistant Counsel*

ANTHONY VALANZANO, *Minority Counsel*

LETTERS OF TRANSMITTAL

DECEMBER 1979.

To: All Members of the Committee on Banking, Finance and Urban Affairs:

I hereby transmit for the use of the Committee on Banking, Finance, and Urban Affairs a revised Committee Print entitled, "Basic Laws and Authorities on Housing and Community Development." This compilation of laws and authorities is being updated in response to the numerous requests from Members of Congress and the public. The revision is made necessary by laws enacted, and numerous Executive Orders issued, since January 3, 1978, the date of our last revision.

The laws, Executive Orders, and other authorities contained in this Committee Print are those which authorize the functions and activities of the Department of Housing and Urban Development, or which are closely related to those functions and activities. They are arranged in accordance with their subject matter and are divided into the general categories of "Housing," "Community Development" and other "General Laws Applicable to Housing and Community Development Activities."

The Committee has been assisted in the preparation of this revised compilation by the Office of General Counsel in the Department of Housing and Urban Development. As in past years, the excellent technical assistance provided by this Office has proved invaluable.

Sincerely,

HENRY S. REUSS, *Chairman.*

DECEMBER 1979.

HON. HENRY S. REUSS,

*Chairman, Committee on Banking, Finance and Urban Affairs,
U.S. House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Transmitted herewith for your consideration is an extensive revision of the Committee publication "Basic Laws and Authorities on Housing and Community Development."

Due to the increased volume and the rapidly changing nature of laws and authorities relating to housing and community development, periodic revisions of this compilation of "Basic Laws" is necessary.

In transmitting this revised compilation, I would like to acknowledge the excellent assistance in its preparation we received from the Office of General Counsel, Department of Housing and Urban Development.

Sincerely,

THOMAS L. ASHLEY,
*Chairman, Subcommittee on Housing
and Community Development.*

Digitized by the Internet Archive
in 2013

CONTENTS

Part I—Basic Laws and Authorities on Housing	Page
National Housing goals and reports.....	1
Department of HUD—General policy directives.....	9
Organizational chart of HUD	19
Local housing assistance plans—fund allocation.....	21
Fraud and false statements	23
Employment of lower income persons.....	24
Transfer of certain 221(d)(3) and 202 mortgages to 236 program.....	27
Sale of surplus Federal land for housing.....	27
Congressional Budget and Impoundment Control Act.....	29
Joint Funding Simplification Act.....	75
Department of Housing and Urban Development Independent Agencies Appropriation Act, 1978.....	81
Supplemental Appropriations Act, 1977.....	89
Appropriation Act—1975.....	92
Supplemental Appropriations—1975.....	98
Appropriation Act—1974.....	100
Agriculture-Environmental and Consumer Protection Appropria- tion Act—Excerpts—1974.....	107
Appropriations—Rent Supplement—1973.....	107
Appropriations—Disaster Assistance—1973.....	107
Appropriations—Revolving Fund—1955.....	108
Appropriations Act—1977.....	110
Appropriations Act—Emergency Homeowners Relief—1976.....	116
Supplemental Appropriations—1976.....	125
Supplemental appropriations—1978.....	130
Appropriations Act—1979.....	130
Miscellaneous administrative provisions—HUD.....	138
Advisory committees.....	140
Civil defense—vulnerability to attack.....	141
Jointly funded projects.....	141
Byrd amendment—HUD contracts.....	142
President's functions delegated to HUD.....	143
Special Assistant for Cooperative Housing.....	145
Strikes by HUD employees.....	145
Vacancy in Office of Secretary.....	146
Handicapped—accessibility to buildings.....	147
Assigning emergency preparedness functions.....	149
Executive Order 12049—Defense economic adjustment programs	152
Federal Coordinating Council for Science, Engineering, and Tech- nology.....	154
Delegation of Presidential functions.....	155
Coordination of Federal urban programs.....	156
National Institute of Building Sciences.....	159
Paperwork reduction	164
Inspector General	165
National Housing Act—HUD.....	173
Housing renovation and modernization—title I.....	173
Mortgage insurance—title II.....	184
Miscellaneous—title V.....	309
War housing insurance—title VI.....	320
Insurance for investment in rental housing—title VII.....	337
Armed services housing—title VIII.....	345
National defense housing—title IX.....	358
Mortgage insurance for land development—title X.....	366
Mortgage insurance for group practice facilities—title XI.....	372
FHA and VA interest rates.....	379

VI

Part I—Basic Laws and Authorities on Housing—Continued

	Page
Rehabilitation Act of 1973	382
Commission on mortgage interest rates	385
Right of redemption	385
Builders warranty	386
Equity skimming	387
Closing of military bases—mortgage defaults	387
Low rent public housing—HUD	391
Other HUD housing assistance programs	453
Section 8—Housing for large families	452
Emergency homeowners relief	453
Housing for the elderly	461
College housing	469
Rehabilitation loans	479
Rent supplements	485
Urban homesteading	491
Assistance for housing in Alaska	493
Public housing—territories	495
Research, studies, demonstrations and solar energy	503
Counseling	537
Training and technical assistance	549
Prototype costs	553
International housing	557
Operating assistance for troubled multifamily housing projects	562
Public housing security	568
State housing and development agencies	571
Congregate housing	575
HUD Programs Regulating Housing	583
Fair housing	583
Interstate land sales	601
Real estate settlement	615
Mobile home construction and safety standards	627
Secondary market for mortgage loans	645
Federal National Mortgage Association—FNMA	654
Government National Mortgage Association—GNMA	658
Federal Home Loan Mortgage Corporation—FHLMC	693
Participation sales	694
Interest rates—Federal-State conflict	700
Rural, defense and veterans housing programs	701
Department of Agriculture—FmHA	701
Department of Defense	739
Veterans' Administration	751
National financial institutions	776
Department of Treasury	776
Investment powers	785
Federal Home Loan Bank	797
Federal savings and loan associations	809
Federal financing bank	831
National housing partnerships	839
Federal Reserve—Mortgage Disclosure	844
Financial privacy	848
Index	(i)
Part II—Basic Laws and Authorities on Community Development:	
Growth policy and planning	863
New communities	863
Intergovernmental Cooperation Act	885
OMB Circular A-19	897
OMB Circular A-95	911
Executive Order 12044—Improving Government regulations	937
OMB Circular A-97	942
Coastal Zone Management Act	947
Comprehensive planning—section 701	977
Clean air amendments	985
Water Pollution Control Act	991
Excerpt from Department of Energy Act	997
Excerpts from Energy Conservation and Production Act	997
Planned areawide development	1025
Urban mass transportation—planning	1033
Urban and community impact analyses	1044
Interagency coordinating council	1045

Part II—Basic Laws and Authorities on Community Development—Con.	Page
Community development assistance programs—HUD	1047
Community development block grants	1047
Community Reinvestment	1083
Neighborhood Reinvestment Corporation	1085
Neighborhood Self-Help Development	1091
Livable cities	1095
National Commission on Neighborhoods	1099
Urban renewal	1103
Public works planning advances	1151
Public facilities loans	1155
Public facilities grants	1161
Model cities	1167
Open space and urban beautification	1175
Historic preservation	1183
Lead-Based Paint Poisoning Prevention Act	1195
Property disposal—Los Alamos	1203
Community development insurance programs—HUD	1227
Property and crime insurance	1227
Flood insurance	1245
Rural and other non-HUD community development programs	1277
Consolidated Farmers Home Administration	1277
Rural Development Act	1303
Headstart, Action and Community Economic Development	1311
Regional action planning commissions	1321
Appalachian Regional Development	1327
Federal Advisory Council on Economic Development	1329
Part III—General Laws Applicable to Housing and Community Relocation Assistance	1335
Civil rights	1365
National policy for the environment	1389
Disaster assistance	1425
Participation in Presidential and national committees	1485
Glossary	1525
Index	(i)

PART II: BASIC LAWS AND AUTHORITIES ON COMMUNITY DEVELOPMENT

NEW COMMUNITIES

EXCERPTS FROM HOUSING AND URBAN DEVELOPMENT ACT OF 1970

[Public Law 91-609, 84 Stat. 1791; 42 U.S.C. 4501]

TITLE VII—NATIONAL URBAN POLICY AND NEW COMMUNITY DEVELOPMENT ¹

SHORT TITLE AND STATEMENT OF PURPOSE

SEC. 701. (a) This title may be cited as "National Urban Policy ² and New Community Development Act of 1970".

(b) ³ It is the policy of the Congress and the purpose of this title to provide for the development of a national urban policy and to encourage the rational, orderly, efficient, and economic growth, development, and redevelopment of our States, metropolitan areas, cities, counties, towns, and communities in predominantly rural areas which demonstrate a special potential for accelerated growth; to encourage the prudent use and conservation of energy and our natural resources; and to encourage and support development which will assure our communities and their residents of adequate tax bases, community services, job opportunities, and good housing in well-balanced neighborhoods in socially, economically, and physically attractive living environments.

PART A—DEVELOPMENT OF A NATIONAL URBAN POLICY ⁴

FINDINGS AND DECLARATION OF POLICY

SEC. 702. (a) ⁵ The Congress finds that rapid changes in patterns of urban settlement, including change in population distribution and economic bases of urban areas, have created an imbalance between the Nation's needs and resources and seriously threaten our physical and social environment, and the financial viability of our cities, and that

¹ Sec. 601(d) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended Title VII by deleting "URBAN GROWTH" and inserting in lieu thereof "NATIONAL URBAN POLICY".

² Sec. 601(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended subsection (a) by striking out "Urban Growth" and inserting in lieu thereof "National Urban Policy".

³ Sec. 601(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended subsection (b) as set forth in the text.

⁴ Sec. 601(e) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended part A by deleting "Growth".

⁵ Sec. 601(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 702(a) as set forth in the text.

the economic and social development of the Nation, the proper conservation of our energy and other natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

(b)¹ The Congress further finds that Federal programs affect the location of population, economic growth, and the character of urban development; that such programs frequently conflict and result in undesirable and costly patterns of urban development and redevelopment which adversely affect the environment and wastefully use energy and other natural resources; and that existing and future programs must be interrelated and coordinated within a system of orderly development and established priorities consistent with a national urban policy.

(c) To promote the general welfare and properly apply the resources of the Federal Government in strengthening the economic and social health of all areas of the Nation and more adequately protect the physical environment and conserve energy and other natural resources, the Congress declares that the Federal Government, consistent with the responsibilities of State and local government and the private sector, must assume responsibility for the development of a national urban policy which shall incorporate social, economic, and other appropriate factors. Such policy shall serve as a guide in making specific decisions at the national level which affect the pattern of urban development and redevelopment and shall provide a framework for development of interstate, State, and local urban policy.²

(d)³ The Congress further declares that the national urban policy should—

- (1) favor patterns of urbanization and economic development and stabilization which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources in metropolitan and urban regions as well as in smaller urban places which have a potential for accelerated growth;

- (2) foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, local neighborhoods, and rural areas;

- (3)³ encourage patterns of development and redevelopment which minimize disparities among States, regions, and cities;

- (4) treat comprehensively the problems of poverty and employment (including the erosion of tax bases, and the need for better community services and job opportunities) which are associated with disorderly urbanization and rural decline;

- (5) develop means to encourage good housing for all Americans without regard to race or creed;

- (6) refine the role of the Federal Government in revitalizing existing communities and encouraging planned, large-scale urban and new community development;

- (7) strengthen the capacity of general governmental institutions to contribute to balanced urban growth and stabilization; and

¹ Sec. 601(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 702(b) as set forth in the text.

² Sec. 601(a)(3) of the Housing and Community Development Act of 1977, approved October 12, 1977, amended section 702(c) to read as set forth in the text.

³ Sec. 601(b)(4) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended subsections 702(d), (d)(3), and (d)(8) to read as set forth in the text.

(8)¹ facilitate increased coordination in the administration of Federal programs so as to encourage desirable patterns of urban development and redevelopment, encourage the prudent use of energy and other natural resources, and protect the physical environment.

NATIONAL URBAN POLICY REPORT²

SEC. 703.² (a) The President shall transmit to the Congress during February 1978, and during February of every even-numbered year thereafter, a Report on National Urban Policy which shall contribute to the formulation of such a policy and in addition shall include—

(1) information, statistics, and significant trends relating to the pattern of urban development for the preceding two years;³

(2) a summary of significant problems facing the United States as a result of urban trends and developments affecting the well-being of urban areas;⁴

(3)⁵ an examination of the housing and related community development problems experienced by cities undergoing a growth rate which equals or exceeds the national average;

(4)⁵ an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to carry out the national urban policy;

(5)⁵ an assessment of the policies and structure of existing and proposed interstate planning and developments affecting such policy;

(6)⁵ a review of State, local, and private policies, plans, and programs relevant to such policy;

(7)⁵ current and foreseeable needs in the areas served by policies, plans, and programs designed to carry out such policy, and the steps being taken to meet such needs; and

(8)⁵ recommendations for programs and policies for carrying out such policy, including such legislation and administrative actions as may be deemed necessary and desirable.

(b) The President may transmit from time to time to the Congress supplementary reports on urban growth which shall include such supplementary and revised recommendations as may be appropriate.

(c) To assist in the preparation of the National Urban Policy Report² and any supplementary reports, the President may establish an advisory board, or seek the advice from time to time of temporary advisory boards, the members of whom shall be drawn from among

¹ Sec. 601(b)(4) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended subsections 702(d), (d)(3), and (d)(8) to read as set forth in the text.

² Sec. 601(c) amended section 703(a) by deleting the section heading which read "URBAN GROWTH REPORT" and inserting in lieu thereof "NATIONAL URBAN POLICY REPORT"; and also by deleting the material preceding paragraph (1) of subsection (a) and inserting in lieu thereof the material as set forth in the text.

³ Sec. 601(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 703(a)(1) to read as set forth in the text.

⁴ Sec. 601(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, deleted "growth" after the word "urban" and inserted "affecting the well-being of urban areas" before the semicolon at the end of paragraph (2).

⁵ Sec. 601(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 703(a) by inserting a new paragraph (3) and by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively.

private citizens familiar with the problems of urban areas¹ and from among Federal officials, Governors of States, mayors, county officials, members of State and local legislative bodies, and others qualified to assist in the preparation of such reports.

PART B—DEVELOPMENT OF NEW COMMUNITIES

FINDINGS AND PURPOSE

SEC. 710. (a) The Congress finds that this Nation is likely to experience during the remaining years of this century a population increase of about seventy-five million persons.

(b) The Congress further finds that continuation of established patterns of urban development, together with the anticipated increase in population, will result in (1) inefficient and wasteful use of land resources which are of national economic and environmental importance; (2) destruction of irreplaceable natural and recreational resources and increasing pollution of air and water; (3) diminished opportunity for the private homebuilding industry to operate at its highest potential capacity in providing good housing needed to serve the expanding population and to replace substandard housing; (4) costly and inefficient public facilities and services at all levels of government; (5) unduly limited options for many of our people as to where they may live, and the types of housing and environment in which they may live; (6) failure to make the most economic use of present and potential resources of many of the Nation's smaller cities and towns, including those in rural and economically depressed areas, and decreasing employment and business and opportunities for their residents; (7) further lessening of employment and business opportunities for the residents of central cities and of the ability of such cities to retain a tax base adequate to support vital services for all their citizens, particularly the poor and disadvantaged; (8) further separation of people within the metropolitan areas by income and by race; (9) further increases in the distances between the places where people live and where they work and find recreation; and (10) increased cost and decreased effectiveness of public and private facilities for urban transportation.

(c) The Congress further finds that better patterns of urban development and revitalization are essential to accommodate future population growth; to prevent further deterioration of the Nation's physical and social environment; and to make positive contributions to improving the overall quality of life within the Nation.

(d) The Congress further finds that the national welfare requires the encouragement of well-planned, diversified, and economically sound new communities, including major additions to existing communities, as one of several essential elements of a consistent national program for bettering patterns of development and renewal.

(e) The Congress further finds that desirable new community development on a significant national scale has been prevented by difficulties in (1) obtaining adequate financing at moderate cost for enterprises which involve large initial capital investment, extensive periods before investment can be returned, and irregular patterns of return; (2) the

¹ Sec. 601(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 703 to read as set forth in the text.

timely assembly of sufficiently large sites in economically favorable locations at reasonable cost; and (3) making necessary arrangements, among all private and public organizations involved, for providing site and related improvements (including streets, sewer and water facilities, and other public and community facilities) in a timely and coordinated manner.

(f) It is, therefore, the purpose of this part to provide private developers and State and local public bodies and agencies (including regional or metropolitan public bodies and agencies) with financial and other assistance necessary for encouraging the orderly development of well-planned, diversified, and economically sound new communities, including major additions to existing communities, and to do so in a manner which will rely to the maximum extent on private enterprise; strengthen the capacity of State and local governments to deal with local problems; preserve and enhance both the natural and urban environment; increase for all persons, particularly members of minority groups, the available choices of locations for living and working, thereby providing a more just economic and social environment; encourage the fullest utilization of the economic potential of older central cities, smaller towns, and rural communities; assist in the efficient production of a steady supply of residential, commercial, and industrial building sites at reasonable cost; increase the capability of all segments of the home-building industry, including both small and large producers, to utilize improved technology in producing the large volume of well-designed, inexpensive housing needed to accommodate population growth; help create neighborhoods designed for easier access between the places where people live and the places where they work and find recreation; and encourage desirable innovation in meeting domestic problems whether physical, economic, or social. It is also the purpose of this part to improve the organizational capacity of the Federal Government to carry out programs of assistance for the development of new communities and the revitalization of the Nation's urban areas.

DEFINITIONS

SEC. 711. As used in this part—

(a) The term "new community development program" means a program which is intended to result in a newly built community or a major addition to an existing community and which meets the eligibility standards set forth in section 712.

(b) The term "private new community developer" means any private entity organized in a form satisfactory to the Secretary for carrying out one or more new community development programs.

(c) The term "State land development agency" means any State or local public body or agency with authority to act as developer in carrying out one or more new community development programs.

(d) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of any of the foregoing.

(e) The term "local public body or agency" means any public body or agency, including a political subdivision, created by or under the laws of a State or two or more States, or a combination of such bodies or agencies.

(f) The term "land development" means the process of clearing and grading land, making, installing, or constructing waterlines and water supply installations, sewerlines and sewage or waste disposal¹ installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, community or neighborhood central heating or air-conditioning systems,¹ and other installations or work, whether on or off the site, which the Secretary deems necessary or desirable to prepare land for residential, commercial, industrial, or other uses, or to provide facilities for public or common use. The term "land development" includes the construction of public facilities, but does not include the construction of any other building unless it is (1) needed in connection with a water supply or sewage or waste disposal¹ installation, a community or neighborhood central heating or air-conditioning system,¹ or a steam, gas, or electric line or installation, or (2) is to be owned and maintained by residents of the new community under joint or cooperative arrangements approved by the Secretary.

(g) The term "actual cost" means the costs (exclusive of rebates or discounts) incurred by a new community developer in carrying out the land development assisted under this Act. These costs may include amounts paid for labor, materials, construction contracts, land planning, engineers' and architect's fees, surveys, taxes, and interest during development, organizational and legal expenses, such allocation of general overhead expenses as are acceptable to the Secretary, and other items of expense incidental to development which may be approved by the Secretary. If the Secretary determines that there is an identity of interest between the developer and a contractor, there may be included as a part of actual cost an allowance for the contractor's profit or risk an amount deemed reasonable by the Secretary.

(h) The term "Secretary" means the Secretary of Housing and Urban Development.

(i) The term "New Community Development Corporation"² means the corporation established within the Department of Housing and Urban Development under section 729.

ELIGIBLE NEW COMMUNITY DEVELOPMENT

SEC. 712. (a) A new community development program is eligible for assistance under this part only if the Secretary determines that the program (or the new community it contemplates)—

(1) will provide an alternative to disorderly urban growth, helping preserve or enhance desirable aspects of the natural and urban environment or so improving general and economic conditions in established communities as to help reverse migration from existing cities or rural areas;

(2) will be economically feasible in terms of economic base or potential for economic growth;

¹ Sec. 803(e)(1) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted the words "sewage or waste disposal" for "sewage disposal" in the first and second sentences; Section 803(e)(2) of this Act added the words "community or neighborhood central heating or air-conditioning systems," after "storm drainage facilities," in the first sentence; and Section 803(e)(3) of this Act added the words "a community or neighborhood central heating or air-conditioning system," after "disposal installation" in the second sentence.

² Sec. 803(a)(1) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, substituted "New Community Development Corporation" for "Community Development Corporation" each place it appears in this Part B.

(3) will contribute to the welfare of the entire area which will be substantially affected by the program and of which the land to be developed is a part;

(4) is consistent with comprehensive planning, physical and social, determined by the Secretary to provide an adequate basis for evaluating the new community development program in relation to other plans (including State, local, and private plans) and activities involving area population, housing and development trends, and transportation, water, sewerage, open space, recreation, and other relevant facilities;

(5) has received all governmental reviews and approvals required by State or local law, or by the Secretary;

(6) will contribute to good living conditions in the community, and that such community will be characterized by well balanced and diversified land use patterns and will include or be served by adequate public, community, and commercial facilities (including facilities needed for education, health and social services, recreation, and transportation) deemed satisfactory by the Secretary;

(7) makes substantial provision for housing within the means of persons of low and moderate income and that such housing will constitute an appropriate proportion of the community's housing supply; and

(8) will make significant use of advances in design and technology with respect to land utilization, materials and methods of construction, and the provision of community facilities and services.

(b) A new community development program approved for assistance under this part shall be undertaken by a private new community developer or State land development agency approved by the Secretary on the basis of financial, technical, and administrative ability which demonstrates capacity to carry out the program with reasonable assurance of its completion.

GUARANTEES

SEC. 713. (a) The Secretary (acting through the New Community Development Corporation) is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by or on behalf of private new community developers and State land development agencies for the purpose of financing real property acquisition and land development and to compensate for the use of real property or the removal of liens or encumbrances on such property, pursuant to the new community development programs approved by the Secretary. The Secretary may make such guarantees and enter into such commitments upon such terms and conditions as he may prescribe consistent with the limitations and conditions contained in section 716; except that no obligation of any State land development agency shall be guaranteed under this section if the income from such obligation is exempt from Federal taxation. The Secretary is authorized to make grants to any State land development agency the obligations of which are guaranteed under this section in amounts equal to 30 per centum of the interest paid on such obligations.¹

¹ Sec. 803(c) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, amended the last sentence of section 713(a).

(b) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section with respect to principal, interest, and any redemption premiums. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation.

(c) The outstanding bonds, debentures, notes or other obligations guaranteed under this section with respect to a single new community development program shall involve a principal obligation in an amount (1) in the case of a State land development agency, not exceeding 100 per centum of the sum of the Secretary's estimate of the value of the real property before development, and his estimate of the actual cost of the land development, or (2) in the case of a private new community developer, not exceeding the sum of 80 per centum of the Secretary's estimate of the value of the real property before development and 90 per centum of his estimate of the actual cost of the land development.

(d) The outstanding principal obligations guaranteed under this section with respect to a single new community development program shall at no time exceed \$50,000,000.

(e) The aggregate of the outstanding principal obligations guaranteed under this section shall at no time exceed \$500,000,000, which amount shall be increased by \$195,500,000 on July 1, 1973.¹

LOANS

SEC. 714. (a) The Secretary (acting through the New Community Development Corporation) is authorized, subject to the limitations and conditions contained in section 716, to make and enter into agreements to make loans to or on behalf of private new community developers and State land development agencies for the purpose of assisting them to make interest payments on indebtedness incurred by them to finance new community development programs approved by him. Loans under this section shall be in amounts which do not exceed the amount of interest the Secretary estimates is payable on indebtedness attributable to land acquisition or land development and shall be made only with respect to interest payments on indebtedness outstanding during an initial development period (not to exceed fifteen years) which the Secretary estimates to be prior to the time when land marketing activity is of sufficient volume to permit continued development under the new community development program without the benefit of further loans under this section.

(b) The Secretary shall require that loans under this section shall be repaid, with interest and on terms and conditions satisfactory to him, commencing at such time as development progress and marketing under the new community development program permit such repayment, but not later than fifteen years after the date the loan is made. Such loans shall bear interest at a rate specified by the Secretary which shall not be less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with

¹ Sec. 12 of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, increasing authorization by \$195,500,000 on July 1, 1973.

remaining periods to maturity comparable to the average maturities of such loans, plus one-eighth of 1 per centum.

(c) The principal amount of the loans outstanding at any time under this section with respect to a single new community development program shall not exceed \$20,000,000.

(d) The aggregate principal amount of the loans outstanding under this section shall at no time exceed \$240,000,000.

PUBLIC SERVICE GRANTS

SEC. 715. In addition to providing assistance under the preceding sections, the Secretary (acting through the New Community Development Corporation) may make public service grants (in such amounts and on such terms and conditions as he deems appropriate) to a State land development agency or to the State or local public body having responsibility for providing the services involved to cover the cost of providing during an initial period (not exceeding three years) essential public services (including educational, health, and safety services) which the Secretary deems necessary adequately to serve the needs of the residents of the development prior to completion of permanent arrangements for the provision of such services. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

LIMITATIONS ON GUARANTEES AND LOANS

SEC. 716. (a) No guarantee or loan shall be made under this part unless the Secretary has determined that the new community development program represents an acceptable financial risk to the United States, taking into consideration (1) the financial and security interests of the United States, including the manner in which the developer proposes to finance and schedule land acquisition, land development, and marketing, and (2) the public purposes of this part and the special problems involved in financing new communities, including (i) the large amount of initial capital required to finance sound new communities, (ii) the extended period before initial returns can be expected, and (iii) the irregular pattern of cash returns characteristic of this type of development.

(b) The Secretary shall take such steps as he considers reasonable to assure that bonds, debentures, notes, and other obligations guaranteed, or with respect to which interest loans are made, under this part will—

(1) be issued to investors approved by, or meeting requirements prescribed by, the Secretary, or if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(2) bear interest at a rate satisfactory to the Secretary;

(3) contain or be subject to repayment, maturity, and other provisions satisfactory to the Secretary; and

(4) contain or be subject to provisions with respect to the protection of the security interests of the United States, including any provisions deemed appropriate by the Secretary relating to subrogation, liens, and releases of liens, payment of taxes, cost certification procedures, escrow or trusteeship requirements or other matters.

REVOLVING FUND

SEC. 717. (a) The Secretary is authorized to establish a revolving fund to provide for (1) the timely payment of any liabilities incurred as the result of guarantees or grants under section 713; (2) making loans authorized under this part; (3) payment of obligations issued to the Secretary of the Treasury under subsection (b) of this section; and (4) any other program expenditures, including administrative and nonadministrative expenses. Such revolving fund shall be comprised of (1) receipts from fees and charges; (2) recoveries under security, subrogation, and other rights; (3) repayments, interest income, and any other receipts obtained in connection with guarantees or loans made under this part; (4) proceeds of the obligations issued to the Secretary of the Treasury pursuant to subsection (b) of this section; and (5) such sums, which are hereby authorized to be appropriated, as may be required for the payment of the obligations issued to the Secretary of the Treasury for the purpose of making grants to State land development agencies under section 713, and for other purposes under this part. Money in the revolving fund not currently needed for the purpose of this part shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed thereby, or in obligations, participations, or other instruments which are lawful investments for fiduciary, trust, or public funds.

(b) The Secretary may issue obligations to the Secretary of the Treasury in an amount sufficient to enable the Secretary to carry out the functions authorized by this part. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations so issued, and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include purchases of the obligations, hereunder.

(c) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary shall have power, for the protection of the interests of the fund authorized under this section, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by him as a result of recoveries under security, subrogation, or other rights.

SUPPLEMENTARY GRANTS FOR PUBLIC FACILITIES

SEC. 718. (a) The Secretary is authorized to make supplementary grants to any State, local public body or agency, or other entity¹ carrying out a new community assistance project, as defined in subsection (c), if the Secretary determines that such project is necessary or desirable for carrying out a new community development program. In no case shall any grant under this section exceed 20 per centum of the cost of the new community assistance project for which the grant

¹ The words "State, local public body or agency, or other entity" were substituted for the words "State or local public body or agency" by sec. 7 of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, 776.

is made; and in no case shall the total Federal contributions to the cost of such project be more than 80 per centum.

(b) In carrying out his authority under this section, the Secretary shall, with respect to any new community assistance project assisted by grants administered by a Federal department or agency other than the Department of Housing and Urban Development, consult with such department or agency concerning the project; and he shall, for the purpose of subsection (a), accept the certification of such department or agency as to the cost of such project.

(c) For the purposes of this section, a "new community assistance project" is a project assisted by grants under section 3 of the Urban Mass Transportation Act of 1964; section 120(a) of title 23, United States Code; section 19 of the Airport and Airway Development Act of 1970; title VI of the Public Health Service Act; title II of the Library Services and Construction Act; section 5 of the Land and Water Conservation Fund Act of 1965; title VII of the Housing Act of 1961; section 702 or 703 of the Housing and Urban Development Act of 1965, section 8 of the Federal Water Pollution Control Act; section 306(a) (2) of the Consolidated Farmers Home Administration Act; section 103 or 104 of the Higher Education Facilities Act of 1963; or section 101(a) (1) of the Public Works and Economic Development Act of 1965 with respect to projects of a type eligible for assistance under any of the other provisions of law listed in this subsection, or a project or portion of a project consisting of the purchase, renovation, or construction of facilities, the purchase of land, or the acquisition of equipment or works of art assisted by contracts or grants under section 5 of the National Foundation on the Arts and the Humanities Act of 1965.¹

(d) There are authorized to be appropriated for supplementary grants under this section not to exceed \$36,000,000 for the fiscal year ending June 30, 1971, not to exceed \$66,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, and not to exceed such sums as may be necessary for any fiscal year commencing after June 30, 1973. Any amount so appropriated shall remain available until expended, and any amounts authorized for any fiscal year but not appropriated may be appropriated for any succeeding fiscal year. In addition, the amounts authorized to be appropriated for grants under section 412 of the Housing and Urban Development Act of 1968 and the amounts appropriated thereunder shall be available for carrying out this section and shall remain available until appropriated and expended.

TECHNICAL ASSISTANCE

SEC. 719. The Secretary is authorized to provide, either directly or by contract or other arrangements, technical assistance to private new community developers and State land development agencies, or State and local public bodies and agencies to assist them in connection with planning and carrying out new community development programs.

¹ Sec. 803(d) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974 amended section 718(c).

SPECIAL PLANNING ASSISTANCE

SEC. 720. (a) The Secretary may, until October 1, 1979,¹ enter into agreements with private new community developers and State land development agencies to provide financial assistance, in amounts not exceeding two-thirds of the estimated cost of such work, for planning new community development programs, including planning work which he determines will have special value in assuring that new community development programs (1) will be fully responsive to social or environmental problems related to the public purposes of new community development, or (2) will adequately provide for, or encourage the use of, new or advanced technology in support of program objectives.

(b) The Secretary shall enter into agreements under this section only with respect to new community development programs which had been approved or are being actively considered for approval, having met such initial feasibility criteria as the Secretary may have prescribed, and, in the case of private new community developers, only with respect to planning work which the Secretary determines is in excess of that which would ordinarily be needed to establish final market, financial, and engineering feasibility for programs or projects of similar size and scope not subject to the special purposes of this part. The financial assistance extended pursuant to such agreements shall be subject to such terms and conditions, which, in the case of private new community developers, may include provisions for repayment where appropriate, as the Secretary may prescribe.

(c) There are authorized to be appropriated for financial assistance under this section not to exceed \$5,000,000, which limit shall be increased by \$5,000,000 on July 1, 1971. Any amount appropriated under this section shall remain available until expended.

FEES AND CHARGES

SEC. 721. The Secretary is authorized to establish and collect fees for guarantees under this part, and may make such charges in connection with guarantees, loans, and technical and other assistance under this part as he considers reasonable for the analysis of applications, appraisals, inspections, and other activities related to such assistance. On or before March 1, 1973, the Secretary shall make a report to the Congress concerning the fees and charges for guarantees under this part that he estimates will be adequate to provide income sufficient for a self-supporting guarantee program and concerning the relationship of other charges to costs incurred under this part.

ENCOURAGEMENT OF SMALL BUILDERS

SEC. 722. The Secretary shall adopt such requirements as he deems necessary to assure that new community assistance under this part will (1) help maintain a diversified, local homebuilding industry; (2) increase the capability of all segments of the homebuilding

¹ Sec. 19 of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended section 720(a) of the Housing and Urban Development Act of 1970 by striking "June 30, 1975" and inserting in lieu thereof "October 1, 1977"; section 208 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 720 by deleting 1977 and inserting in lieu thereof "1978." Extended further by Sec. 306, Housing and Community Development Amendments of 1979, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

industry, including both small and large producers, to participate, through an increased supply of building sites at reasonable costs and through improved technology, in producing the needed, large volume of well-designed, inexpensive housing; and (3) encourage broad participation by the homebuilding industry, particularly small builders.

NEW COMMUNITY DEMONSTRATION PROJECTS

SEC. 723. Upon specific authorization by the President and under applicable Federal law respecting the use of federally owned lands, the Secretary, utilizing funds made available for the purpose by the Congress, is authorized to plan and carry out large-scale projects demonstrating the development of new communities, which shall be designed to contribute to the achievement of the purposes of this part and serve as models for new community developments which could feasibly be carried out by other public and private developers.

REAL PROPERTY TAXATION

SEC. 724. Nothing in this part shall be construed to exempt any real property that may be acquired and held by the Secretary as a result of the exercise of lien or subrogation rights from real property taxation to the same extent, according to its value, as other real property is taxed.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 725. Insofar as they relate to any guarantees, loans, or grants made pursuant to this part, the financial transactions of recipients of Federal assistance may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

GENERAL PROVISIONS

SEC. 726. In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Secretary, in addition to any authority otherwise vested in him, shall—

(1) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c) (2), (c) (4), (d), and (f), of the Housing Act of 1950: *Provided*, That subsection (a) (1) of section 402 shall not apply with respect to functions, powers, and duties under section 719 of this part;

(2) have the power, notwithstanding any other provision of law, in connection with any assistance under this part, whether before or after any default, to provide by contract for the extinguishment upon default of any redemption, equitable, legal, or other right, title, or interest of the private new community developer or State land development agency in any mortgage, deed, trust, or other instrument held by or on behalf of the Secre-

tary for the protection of the security interests of the United States; and

(3) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon him by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which he has provided assistance pursuant to this part. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this part.

TECHNICAL AND CONFORMING PROVISIONS

SEC. 727. (a) No bonds, debentures, notes, or other obligations shall be guaranteed under title IV of the Housing and Urban Development Act of 1968 after the effective date ¹ of this part except pursuant to an offer or commitment to guarantee, or a project approval, made before that date: *Provided*, That a new community developer whose new community development project has, as of the effective date of this part, been approved by the Secretary under title IV shall be eligible with respect to obligations thereafter issued by him for guarantee assistance as authorized either by title IV or by this part, and such guarantee assistance may be given without a further determination by the Secretary under sections 712 and 716(a) of this part. If the Secretary finds that an applicant for title IV assistance has submitted complete financial and internal development plans and related materials pursuant to section 404 of such title IV, or major elements of such plans or materials, the Secretary may accept such plans and materials or major elements, respectively, as fully or partially satisfying the requirement under this part for the submission of a new community development program. All receipts, funds, or other assets and all liabilities of the revolving fund established pursuant to section 407 of the Housing and Urban Development Act of 1968 (including liabilities arising under guarantees made pursuant to such title IV and this section) shall become and be assets and liabilities of the revolving fund established pursuant to this part, as if such assets and liabilities had been received or incurred pursuant to this part, and shall be paid over, held, and accounted for accordingly.

* * * * *

(f) All laborers and mechanics employed by contractors or subcontractors in land development assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). No assistance shall be extended under this part for any land

¹ December 31, 1970.

development without first obtaining adequate assurance that these labor standards will be maintained upon the construction work involved in such program. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267), and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

(g) With respect to any obligation issued by or on behalf of any State land development agency for which the issuer has elected to receive the benefits of the guarantees provided under this part, the interest paid on such obligation and received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

JOINT FUNDING

SEC. 728. Funds made available under any Federal assistance program for projects or activities approved as part of, or pursuant to, a new community development program may be used jointly with funds made available for such projects or activities under any other Federal assistance program, subject to regulations prescribed by the President. Such regulations may include provisions for common technical or administrative requirements where varying or conflicting provisions of law would otherwise apply, for establishing joint management funds and common non-Federal shares, and for special agreements, or delegations of authority, among different Federal agencies in connection with the supervision or administration of assistance. Such regulations shall in any case include appropriate criteria and procedures to assure that any special authorities conferred, which are not otherwise provided for by law, shall be employed only as necessary to promote effective and efficient administration and in a manner consistent with the protection of the Federal interest and program purposes or statutory requirements of a substantive nature. For purposes of this section, the term "Federal assistance program" has the same meaning as under the Intergovernmental Cooperation Act of 1968.

NEW COMMUNITY DEVELOPMENT CORPORATION ¹

SEC. 729 (a) There is hereby created within the Department of Housing and Urban Development a body corporate to be known as the Community Development Corporation which shall carry out its functions subject to the direction and supervision of the Secretary.

(b) The Corporation shall have a Board of Directors (hereinafter referred to as the "Board") which shall consist of seven members ² as follows:

- (1) The Secretary, who shall be Chairman of the Board;
- (2) one person, to be appointed by the President by and with the advice and consent of the Senate, who shall serve at the pleasure of the President, shall be the General Manager of the Cor-

¹ Sec. 803(a)(2) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, inserted "NEW" before "COMMUNITY" in this heading.

² Sec. 803(b) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted "seven members" for "five members".

poration, serving as its chief executive officer under the Board's general direction, and shall receive compensation at the rate provided for positions at level IV of the Executive Schedule (5 U.S.C. 5315); and

(3) five persons,¹ to be appointed by the Secretary, who shall serve at his pleasure, but not more than one such person shall be selected from among officers or employees of the Department of Housing and Urban Development.

Members of the Board who are regular, full-time officers or employees of the Federal Government shall receive no additional compensation for their services as Board members. Other members shall receive for their services as members, when engaged in the performance of their duties, the per diem equivalent to the rate for level IV of the Federal Executive Salary Schedule under section 5315 of title 5 of the United States Code. Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title for persons in the Government service employed intermittently.

(c) The functions of the Secretary with respect to guarantees and loans in aid of new community development under this part shall be administered through the Community Development Corporation, and the Corporation shall perform such additional functions, powers, and duties as the Secretary may prescribe from time to time.

PART C—DEVELOPMENT OF RATIONAL URBAN GROWTH PATTERNS

STATE AND REGIONAL PLANNING

SEC. 735.²

PART D—DEVELOPMENT OF INNER CITY AREAS

PURPOSE

SEC. 740. It is the purpose of this part to provide our cities, which urgently need to augment their inventories of housing (particularly housing for low and moderate income families) and to find sites for essential public facilities and additional sources of employment, but have virtually no vacant land upon which to build, with a program which will make possible the more rational use of urban land and space that is currently occupied by industrial or commercial uses which though not physically blighted are functionally obsolete or uneconomic, or of land and space that is not usable in its present state because of natural hazards or inadequate development, so that in appropriate cases major rebuilding projects (including new communities in town) may be undertaken without major residential clearance activities and with minimal displacement.

AMENDMENTS TO TITLE I OF THE HOUSING ACT OF 1949

SEC. 741.³

Approved December 31, 1970.

¹ Sec. 803(b) (2) of Housing and Community Development Act of 1974. Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted "five persons" for "three persons."

² See sec. 701(j), Housing Act of 1954.

³ See secs. 103(a) (1), 110(c) (1), and 110(c) (7), Housing Act of 1949.

HOUSING AND URBAN DEVELOPMENT ACT OF 1968

[Public Law 90-448, 82 Stat. 476, 513; 42 U.S.C. 3901 et seq.]

**TITLE IV—GUARANTEES FOR FINANCING NEW
COMMUNITY LAND DEVELOPMENT****CITATION**

SEC. 401. This title may be referred to as the "New Communities Act of 1968".

PURPOSE

SEC. 402. It is the purpose of this title, by facilitating the enlistment of private capital in new community development, to encourage the development of new communities that—

(1) contribute to the general betterment of living conditions through the improved quality of community development made possible by a consistent design for the provision of homes, commercial and industrial facilities, public and community facilities, and open spaces;

(2) make substantial contributions to the sound and economic growth of the areas in which they are located;

(3) provide needed additions to the general housing supply;

(4) provide opportunities for innovation in housing and community development technology and in land use planning;

(5) enlarge housing and employment opportunities by increasing the range of housing choice and providing new investment opportunities for industry and commerce;

(6) encourage the maintenance and growth of a diversified local homebuilding industry; and

(7) include, to the greatest extent feasible, the employment of new and improved technology, techniques, materials, and methods in housing construction, rehabilitation, and maintenance under programs administered by the Department of Housing and Urban Development with a view to reducing the cost of such construction, rehabilitation, and maintenance, and stimulating the increased and sustained production of housing under such programs.

GUARANTEE AUTHORITY

SEC. 403. To carry out the purposes of this title the Secretary is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by new community developers to help finance new community development projects. The Secretary may make such guarantees and enter into such commitments, subject to the limitations contained in sections 404 and 405, upon such terms and conditions as he may prescribe, taking into account (1) the large initial capital investment required to finance sound new communities, (2) the extended period before initial returns on this type of investment can be expected, (3) the irregular pattern of cash returns characteristic of such investment, and (4) the financial and security interests of the United States in connection with guarantees made under this title.

ELIGIBLE NEW COMMUNITY DEVELOPMENT

SEC. 404. No guarantee or commitment to guarantee may be made under this title unless the Secretary has determined that—

(1) the proposed new community (A) will be economically feasible in terms of economic base or potential for growth, and (B) will contribute to the orderly growth and development of the area of which it is a part;

(2) there is a practicable plan (including appropriate time schedules) for financing the land acquisition and land development costs of the proposed new community and for improving and marketing the land which, giving due consideration to the public purposes of this title and the special problems involved in financing new communities, represents an acceptable financial risk to the United States;

(3) there is a sound internal development plan for the new community which (A) has received all governmental approvals required by State or local law or by the Secretary; and (B) is acceptable to the Secretary as providing reasonable assurance that the development will contribute to good living conditions in the area being developed, will be characterized by sound land use patterns, will include a proper balance of housing for families of low and moderate income, and will include or be served by such shopping, school, recreational, transportation, and other facilities as the Secretary deems satisfactory; and

(4) the internal development plan is consistent with a comprehensive plan which covers, or with comprehensive planning being carried on for, the area in which the land is situated, and which meets criteria established by the Secretary for such comprehensive plans or planning.

ELIGIBLE OBLIGATIONS

SEC. 405. (a) Any bond, debenture, note or other obligation guaranteed under this title shall—

(1) be issued by a new community developer, other than a public body, approved by the Secretary on the basis of financial, technical and administrative ability which demonstrates his capacity to carry out the proposed project;

(2) be issued to and held by investors approved by, or meeting requirements prescribed by, the Secretary, or if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(3) be issued to finance a program of land development (including acquisition or use of land) approved by the Secretary: *Provided*, That the Secretary shall, through cost certification procedures, escrow or trusteeship requirements, or other means, insure that all proceeds from the sale of obligations guaranteed under this title are expended pursuant to such program;

(4) involve a principal obligation in an amount not to exceed the lesser of (A) 80 per centum of the Secretary's estimate of the value of the property upon completion of the land development or (B) the sum of 75 per centum of the Secretary's estimate

of the value of the land before development and 90 per centum of his estimate of the actual cost of the land development;

(5) bear interest at a rate satisfactory to the Secretary, such interest to be exclusive of any service charges and fees that may be approved by the Secretary;

(6) contain repayment and maturity provisions satisfactory to the Secretary; and

(7) contain provisions which the Secretary shall prescribe with respect to the protection of the security interests of the United States (including subrogation provisions), liens and releases of liens, payment of taxes, and such other matters as the Secretary may, in his discretion, prescribe.

(b) The outstanding principal obligations guaranteed under this title with respect to a single new community development project shall at no time exceed \$50,000,000.

FEEES AND CHARGES

SEC. 406. The Secretary is authorized to establish and collect fees for guarantees made under this title and may make such charges as he considers reasonable for the analysis of development and financing plans and for appraisals and inspections related to new community development projects. On or before January 1, 1970, the Secretary shall make a report to the Congress concerning the fees and other charges under this title that he estimates will be adequate to provide income sufficient for a self-supporting program.

GUARANTEE FUND

SEC. 407. (a) To provide for the payment of any liabilities incurred as a result of guarantees made under this title, the Secretary is authorized to establish a revolving fund which shall be comprised of (1) receipts from fees and charges; (2) recoveries under security or subrogation rights or other rights, and any other receipts obtained in connection with such guarantees; and (3) such sums, which are hereby authorized to be appropriated, as may be required for program operations and nonadministrative expenses and to make any and all payments guaranteed under this title. The¹ Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out his functions with respect to the guarantees authorized by this title. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this subsection, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under such Act are extended to include purchase of the Secretary's obligations hereunder.

¹ Sec. 703. Emergency Home Finance Act of 1970. Public Law 91-351, approved July 24, 1970. 84 Stat. 450, 462, added the remaining language in this subsection (a) beginning at this point.

(b) The full faith and credit of the United States is pledged to the payment of all guarantees made under this title with respect to both principal and interest, including (1) interest, as may be provided for in the guarantee, accruing between the date of default under a guaranteed obligation and the payment in full of the guarantee, and (2) principal and interest due under any debentures issued by the Secretary toward payment of guarantees made under this title.

(c) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary shall have power, for the protection of the interests of the guarantee fund authorized under this section, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property acquired by him under this title; and notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in carrying out this title.

(d) The aggregate of the outstanding principal obligations guaranteed under this title shall at no time exceed \$500,000,000.¹

INCONTESTABILITY

SEC. 408. Any guarantee made by the Secretary under this title shall be conclusive evidence of the eligibility of the obligations for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a ² holder of the guaranteed obligation.²

ENCOURAGEMENT OF SMALL BUILDERS

SEC. 409. The Secretary shall adopt such requirements as he deems necessary to assure that new community construction assisted under this title will encourage the maintenance of a diversified local home-building industry and broad participation by builders, particularly small builders.

LABOR

SEC. 410. All laborers and mechanics employed by contractors or subcontractors in land development assisted under section 403 shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). No assistance shall be extended under section 403 for land development without first obtaining adequate assurance that these labor standards will be maintained upon the construction work involved in such development. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267), and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

¹ Sec. 303(a), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, substituted "\$500,000,000" for "\$250,000,000".

² Sec. 303(c), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, deleted at this point the word "qualified" and also deleted the remainder of this sentence, which read "except for fraud or material misrepresentation on the part of such holder."

REAL PROPERTY TAXATION

SEC. 411. Nothing in this title shall be construed to exempt any real property that may be acquired and held by the Secretary as a result of the exercise of lien or subrogation rights from real property taxation to the same extent, according to its value, as other real property is taxed.

SUPPLEMENTARY GRANTS

SEC. 412. (a) The Secretary is authorized to make supplementary grants to State and local public bodies and agencies carrying out new community assistance projects, as defined in section 415(c), if the Secretary determines that such grants are necessary or desirable for carrying out a new community development project approved for assistance under section 403, and that a substantial number of housing units for low and moderate income persons is to be made available through such development project.

(b) In no case shall any grant under this section exceed 20 per centum of the cost of the new community assistance project for which the grant is made; and in no case shall the total Federal contributions to the cost of such project be more than 80 per centum.

(c) In carrying out his authority under this section the Secretary shall consult with the Secretary of Agriculture with respect to new community assistance projects assisted by that Department, and he shall, for the purpose of subsection (b), accept that Department's certifications as to the cost of such projects.

(d) There are authorized to be appropriated for grants under this section not to exceed \$5,000,000 for the fiscal year ending June 30, 1969, and not to exceed \$25,000,000 for the fiscal year ending June 30, 1970. Any amounts so appropriated shall remain available until expended, and any amounts authorized for any fiscal year under this subsection but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1974.¹

GENERAL PROVISIONS AND RULES AND REGULATIONS

SEC. 413. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c) (2), (d), and (f), of the Housing Act of 1950: *Provided*, That subsection (a) (1) of section 402 shall not apply with respect to functions, powers, and duties under section 412 of this title.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 414. Insofar as they relate to any grants or guarantees made pursuant to this title, the financial transactions of recipients of Federal grants or of developers whose obligations are guaranteed by the United States pursuant to this title may be audited by the General

¹ Sec. 304, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 391, substituted "July 1, 1971" for "July 1, 1970" and sec. 303(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, substituted "July 1, 1974" for "July 1, 1971".

Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by such developers or recipients of grants pertaining to such financial transactions and necessary to facilitate the audit.

DEFINITIONS

SEC. 415. As used in this title—

(a) The term “land development” means the process of grading land, making, installing, or constructing water lines and water supply installations, sewer lines and sewage disposal installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or work, whether on or off the site, which the Secretary deems necessary or desirable to prepare land for residential, commercial, industrial, or other uses, or to provide facilities for public or common use. The term “land development” shall not include any building unless it is (1) a building which is needed in connection with a water supply or sewage disposal installation or a steam, gas, or electric line or installation, or (2) a building, other than a school, which is to be owned and maintained jointly by the residents of the new community or is to be transferred to public ownership, but not prior to its completion.

(b) The term “actual costs” means the costs (exclusive of rebates or discounts) incurred by a new community developer in carrying out the land development assisted under this title. These costs may include amounts paid for labor, materials, construction contracts, land planning, engineers’ and architects’ fees, surveys, taxes, and interest during development, organizational and legal expenses, such allocation of general overhead expenses as are acceptable to the Secretary, and other items of expense incidental to development which may be approved by the Secretary. If the Secretary determines that there is an identity of interest between the new community developer and a contractor, there may be included as a part of actual costs an allowance for the contractor’s profit in an amount deemed reasonable by the Secretary.

(c) The term “new community assistance projects” means projects assisted by grants made under section 702 of the Housing and Urban Development Act of 1965, section 306(a)(2) of the Consolidated Farmers’ Home Administration Act, or title VII of the Housing Act of 1961.

* * * * *

Approved August 1, 1968.

INTERGOVERNMENTAL COOPERATION ACT OF 1968

[Public Law 90-577, 82 Stat. 1098; 42 U.S.C. 4201]

AN ACT To achieve the fullest cooperation and coordination of activities among the levels of government in order to improve the operation of our federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to permit provision of reimbursable technical services to State and local government, to establish coordinated intergovernmental policy and administration of development assistance programs, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, to provide for periodic congressional review of Federal grants-in-aid, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Intergovernmental Cooperation Act of 1968".

TITLE I—DEFINITIONS

When used in this Act—

FEDERAL AGENCY

SEC. 101. The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government and any wholly owned Government corporation.

STATE

SEC. 102. The term "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State.

POLITICAL SUBDIVISION OR LOCAL GOVERNMENT

SEC. 103. The term "political subdivision" or "local government" means a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law.

UNIT OF GENERAL LOCAL GOVERNMENT

SEC. 104. "Unit of general local government" means any city, county, town, parish, village, or other general purpose political subdivision of a State.

SPECIAL-PURPOSE UNIT OF LOCAL GOVERNMENT

SEC. 105. "Special-purpose unit of local government" means any special district, public-purpose corporation, or other strictly limited-purpose political subdivision of a State, but shall not include a school district.

GRANT OR GRANT-IN-AID

SEC. 106. The term "grant" or "grant-in-aid" means money, or property provided in lieu of money, paid or furnished by the United States under a fixed annual or aggregate authorization—

(A) to a State; or

(B) to a political subdivision of a State; or

(C) to a beneficiary under a plan or program, administered by a State or a political subdivision of a State, which is subject to approval by a Federal agency;

if such authorization either (i) requires the States or political subdivisions to expend non-Federal funds as a condition for the receipt of money or property from the United States; or (ii) specifies directly, or establishes by means of a formula, the amounts which may be paid or furnished to States or political subdivisions, or the amounts to be allotted for use in each of the States by the States, political subdivisions, or other beneficiaries. The term also includes money, or property provided in lieu of money, paid and furnished by the United States to any community action agency under the Economic Opportunity Act of 1964, as amended. The term does not include (1) shared revenues; (2) payments of taxes; (3) payments in lieu of taxes; (4) loans or repayable advances; (5) surplus property or surplus agricultural commodities furnished as such; (6) payments under research and development contracts or grants which are awarded directly and on similar terms to all qualifying organizations, whether public or private; or (7) payments to States or political subdivisions as full reimbursement for the costs incurred in paying benefits or furnishing services to persons entitled thereto under Federal laws.

FEDERAL ASSISTANCE, FEDERAL FINANCIAL ASSISTANCE, FEDERAL ASSISTANCE PROGRAMS, OR FEDERALLY ASSISTED PROGRAMS

SEC. 107. The term "Federal assistance", "Federal financial assistance", "Federal assistance programs", or "federally assisted programs", means programs that provide assistance through grant or contractual arrangements, and includes technical assistance programs or programs providing assistance in the form of loans, loan guarantees, or insurance. The term does not include any annual payment by the United States to the District of Columbia authorized by article VI of the District of Columbia Revenue Act of 1947 (D.C. Code secs. 47-2501a and 47-2501b).

SPECIALIZED OR TECHNICAL SERVICES

SEC. 108. "Specialized or technical services" means statistical and other studies and compilations, development projects, technical tests

and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which any department or agency of the executive branch of the Federal Government is especially equipped and authorized by law to perform.

COMPREHENSIVE PLANNING

SEC. 109. "Comprehensive planning" includes the following, to the extent directly related to area needs or needs of a unit of general local government: (A) preparation, as a guide for governmental policies and action, of general plans with respect to (i) the pattern and intensity of land use, (ii) the provision of public facilities (including transportation facilities) and other government services, and (iii) the effective development and utilization of human and natural resources; (B) long-range physical and fiscal plans for such action; (C) programming of capital improvements and other major expenditures, based on a determination of relative urgency, together with definitive financing plans for such expenditures in the earlier years of the program; (D) coordination of all related plans and activities of the State and local governments and agencies concerned; and (E) preparation of regulatory and administrative measures in support of the foregoing.

HEAD OF AGENCY

SEC. 110. The term "head of a Federal agency" or "head of a State agency" includes a duly designated delegate of such agency head.

TITLE II—IMPROVED ADMINISTRATION OF GRANTS-IN-AID TO THE STATES

FULL INFORMATION ON FUNDS RECEIVED

SEC. 201. Any department or agency of the United States Government which administers a program of grants-in-aid to any of the State governments of the United States or to their political subdivisions shall, upon request, notify in writing the Governor, the State legislature, or other official designated by either, of the purpose and amounts of actual grants-in-aid to the State or to its political subdivisions. In each instance, a copy of requested information shall be furnished the State legislature or the Governor depending upon the original request for such data.

DEPOSIT OF GRANTS-IN-AID

SEC. 202. No grant-in-aid to a State shall be required by Federal law or administrative regulation to be deposited in a separate bank account apart from other funds administered by the State. All Federal grant-in-aid funds made available to the States shall be properly accounted for as Federal funds in the accounts of the State. In each case the State agency concerned shall render regular authenticated reports to the appropriate Federal agency covering the status and the application of the funds, the liabilities and obligations on hand, and such other facts as may be required by said Federal agency. The head of the Federal agency and the Comptroller General of the United States or any of

their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to the grant-in-aid received by the States.

SCHEDULING OF FEDERAL TRANSFERS TO THE STATES

SEC. 203. Heads of Federal departments and agencies responsible for administering grant-in-aid programs shall schedule the transfer of grant-in-aid funds consistent with program purposes and applicable Treasury regulations, so as to minimize the time elapsing between the transfer of such funds from the United States Treasury and the disbursement thereof by a State, whether such disbursement occurs prior to or subsequent to such transfer of funds. States shall not be held accountable for interest earned on grant-in-aid funds, pending their disbursement for program purposes.

ELIGIBLE STATE AGENCY

SEC. 204. Notwithstanding any other Federal law which provides that a single State agency or multimember board or commission must be established or designated to administer or supervise the administration of any grant-in-aid program, the head of any Federal department or agency administering such program may, upon request of the Governor or other appropriate executive or legislative authority of the State responsible for determining or revising the organizational structure of State government, waive the single State agency or multimember board or commission provision upon adequate showing that such provision prevents the establishment of the most effective and efficient organizational arrangements within the State government and approve other State administrative structure or arrangements: *Provided*, That the head of the Federal department or agency determines that the objectives of the Federal statute authorizing the grant-in-aid program will not be endangered by the use of such other State structure or arrangements.

TITLE III—PERMITTING FEDERAL DEPARTMENTS AND AGENCIES TO PROVIDE SPECIAL OR TECHNICAL SERVICES TO STATE AND LOCAL UNITS OF GOVERNMENT

STATEMENT OF PURPOSE

SEC. 301. It is the purpose of this title to encourage intergovernmental cooperation in the conduct of specialized or technical services and provision of facilities essential to the administration of State or local governmental activities, many of which are nationwide in scope and financed in part by Federal funds; to enable State or local governments to avoid unnecessary duplication of special service functions; and to authorize all departments and agencies of the executive branch of the Federal Government which do not have such authority to provide reimbursable specialized or technical services to State and local governments.

AUTHORITY TO PROVIDE SERVICE

SEC. 302. The head of any Federal department or agency is authorized within his discretion, upon written request from a State or political subdivision thereof, to provide specialized or technical services, upon payment, to the department or agency by the unit of government making the request, of salaries and all other identifiable direct or indirect costs of performing such services: *Provided, however,* That such services shall include only those which the Director of the Bureau of the Budget through rules and regulations determines Federal departments and agencies have special competence to provide. Such rules and regulations shall be consistent with and in furtherance of the Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels.

REIMBURSEMENT OF APPROPRIATION

SEC. 303. All moneys received by any department or agency of the executive branch of the Federal Government, or any bureau or other administrative division thereof, in payment for furnishing specialized or technical services as authorized under section 302 shall be deposited to the credit of the principal appropriation from which the cost of providing such services has been paid or is to be charged.

REPORTS TO CONGRESS

SEC. 304. The Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government shall furnish annually to the respective committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under the administration of this title.

RESERVATION OF EXISTING AUTHORITY

SEC. 305. This title is in addition to and does not supersede any existing authority now possessed by any Federal department or agency with respect to furnishing services, whether on a reimbursable or non-reimbursable basis, to State and local units of government.

TITLE IV—COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION OF DEVELOPMENT ASSISTANCE PROGRAMS

DECLARATION OF DEVELOPMENT ASSISTANCE POLICY

SEC. 401. (a) The economic and social development of the Nation and the achievement of satisfactory levels of living depend upon the sound and orderly development of all areas, both urban and rural. Moreover, in a time of rapid urbanization, the sound and orderly development of urban communities depends to a large degree upon the social and economic health and the sound development of smaller communities and rural areas. The President ¹ shall, therefore, establish

rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict:

(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Concern for high standards of design.

(b) All viewpoints—national, regional, State, and local—shall, to the extent possible, be fully considered and taken into account in planning Federal or federally assisted development programs and projects. State and local government objectives, together with the objectives of regional organizations shall be considered and evaluated within a framework of national public objectives, as expressed in Federal law, and available projections of future national conditions and needs of regions, States, and localities shall be considered in plan formulation, evaluation, and review.

(c) To the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including but not limited to housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

(d) Each Federal department and agency administering a development assistance program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban renewal, and open space) shall be coordinated with and, to the extent authorized by

¹ In a memorandum to the Director of the Bureau of the Budget, dated Nov. 8, 1968, the President delegated this authority to the Director, and stated he expected the Bureau "to generally coordinate the actions of the departments and agencies in exercising the new authorizations provided by the Intergovernmental Cooperation Act with the objective of consistent and uniform action by the Federal Government." (33 Fed. Reg. 16487)

law, made part of comprehensive local and areawide development planning.

FAVORING UNITS OF GENERAL LOCAL GOVERNMENT

SEC. 402. Where Federal law provides that both special-purpose units of local government and units of general local government are eligible to receive loans or grants-in-aid, heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid to units of general local government rather than to special-purpose units of local government.

RULES AND REGULATIONS

SEC. 403. The Bureau of the Budget or such other agency as may be designated by the President is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title.

TITLE V—ACQUISITION, USE, AND DISPOSITION OF LAND WITHIN URBAN AREAS BY FEDERAL AGENCIES IN CONFORMITY WITH LAND UTILIZATION PROGRAMS OF AFFECTED LOCAL GOVERNMENT

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

SEC. 501. The Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.), is amended by adding at the end thereof a new title as follows:

“TITLE VIII—URBAN LAND UTILIZATION

“SHORT TITLE

“SEC. 801. This title may be cited as the ‘Federal Urban Land-Use Act’.

“DECLARATION OF PURPOSE AND POLICY

“SEC. 802. It is the purpose of this title to promote more harmonious intergovernmental relations and to encourage sound planning, zoning, and land-use practices by prescribing uniform policies and procedures whereby the Administrator shall acquire, use, and dispose of land in urban areas in order that urban land transactions entered into for the General Services Administration or on behalf of other Federal agencies shall, to the greatest extent practicable, be consistent with zoning and land-use practices and shall be made to the greatest extent practicable in accordance with planning and development objectives of the local governments and local planning agencies concerned.

“DISPOSAL OF URBAN LANDS

“SEC. 803. (a) Whenever the Administrator contemplates the disposal for or on behalf of any Federal agency of any real property situated within an urban area, he shall, prior to offering such land for

sale, give reasonable notice to the head of the governing body of the unit of general local government having jurisdiction over zoning and land-use regulation in the geographical area within which the land or lands are located in order to afford the government the opportunity of zoning for the use of such land in accordance with local comprehensive planning.

“(b) The Administrator, to the greatest practicable extent, shall furnish to all prospective purchasers of such real property, full and complete information concerning—

“(1) current zoning regulations and prospective zoning requirements and objectives for such property when it is unzoned; and

“(2) current availability to such property of streets, sidewalks, sewers, water, street lights, and other service facilities and prospective availability of such services if such property is included in comprehensive planning.

“ACQUISITION OR CHANGE OF USE OF REAL PROPERTY

“SEC. 804. (a) To the extent practicable, prior to a commitment to acquire any real property situated in an urban area, the Administrator shall notify the unit of general local government exercising zoning and land-use jurisdiction over the land proposed to be purchased of his intent to acquire such land and the proposed use of the property. In the event that the Administrator determines that such advance notice would have an adverse impact on the proposed purchase, he shall, upon conclusion of the acquisition, immediately notify such local government of the acquisition and the proposed use of the property.

“(b) In the acquisition or change of use of any real property situated in an urban area as a site for public building, the Administrator shall, to the extent he determines practicable—

“(1) consider all objections made to any such acquisition or change of use by such unit of government upon the ground that the proposed acquisition or change of use conflicts or would conflict with the zoning regulations or planning objectives of such unit; and

“(2) comply with and conform to such regulations of the unit of general local government having jurisdiction with respect to the area within which such property is situated and the planning and development objectives of such local government.

“SEC. 805. The procedures prescribed in sections 803 and 804 may be waived during any period of national emergency proclaimed by the President.

“DEFINITIONS

“SEC. 806. As used in this title—

“(a) ‘Unit of general local government’ means any city, county, town, parish, village, or other general-purpose political subdivision of a State.

“(b) ‘Urban area’ means—

“(1) any geographical area within the jurisdiction of any incorporated city, town, borough, village, or other unit of general local government, except county or parish, having a population of ten thousand or more inhabitants;

"(2) that portion of the geographical area within the jurisdiction of any county, town, township, or similar governmental entity which contains no incorporated unit of general local government but has a population density equal to or exceeding one thousand five hundred inhabitants per square mile; and

"(3) that portion of any geographical area having a population density equal to or exceeding one thousand five hundred inhabitants per square mile and situated adjacent to the boundary of any incorporated unit of general local government which has a population of ten thousand or more inhabitants.

"(c) 'Comprehensive planning' includes the following, to the extent directly related to the needs of a unit of general local government:

"(1) Preparation, as a guide for governmental policies and action, of general plans with respect to (A) the pattern and intensity of land use, (B) the provision of public facilities (including transportation facilities) and other governmental services, and (C) the effective development and utilization of human and natural resources;

"(2) Long-range physical and fiscal plans for such action;

"(3) Programing of capital improvements and other major expenditures, based on a determination of relative urgency, together with definitive financing plans for such expenditures in the earlier years of the program;

"(4) Coordination of all related plans and activities of the State and local governments and agencies concerned; and

"(5) Preparation of regulatory and administrative measures in support of the foregoing."

TITLE VI—REVIEW OF FEDERAL GRANT-IN-AID PROGRAMS

CONGRESSIONAL REVIEW OF GRANT-IN-AID PROGRAMS

SEC. 601. (a) Where any Act of Congress authorizes the making of grants-in-aid and no expiration date for such authority has been specified by law, then prior to the expiration of each period specified in subsection (b) the Committees of the Senate and the House having legislative jurisdiction over such grants-in-aid shall, separately or jointly, conduct studies of the program under which such grants-in-aid are made and advise their respective Houses of the results of their findings with special attention to—

(1) The extent to which the purposes for which the grants-in-aid are authorized have been met;

(2) The extent to which the objectives of such programs can be carried on without further financial assistance from the United States;

(3) Whether or not any changes in purpose, direction or administration of the original program, or in procedures and requirements applicable thereto, shall be made; and

(4) The extent to which such grant-in-aid programs are adequate to meet the growing and changing needs which they were designed to support.

(b) (1) A study of a grant-in-aid program to which subsection (a) applies and which is authorized by an Act of Congress enacted before the date of enactment of this Act shall be conducted prior to the expiration of the fourth calendar year beginning after the date of enactment of this Act, and thereafter prior to the expiration of the fourth calendar year following the year during which a study of such program was last conducted under this paragraph.

(2) A study of a grant-in-aid program to which subsection (a) applies and which is authorized by an Act of Congress enacted after the date of enactment of this Act shall be conducted prior to the expiration of the fourth calendar year following the year of enactment of such Act, and prior to the expiration of each fourth calendar year thereafter.

STUDIES BY COMPTROLLER GENERAL OF FEDERAL GRANT-IN-AID PROGRAMS

SEC. 602. (a) Upon request of any committee having jurisdiction over a grant-in-aid program, the Comptroller General shall make a study of such program to determine among other relevant matters, the extent to which—

(1) such program conflicts with or duplicates other grant-in-aid programs; and

(2) more effective, efficient, economical and uniform administration of such program can be achieved by changing certain requirements and procedures applicable thereto.

(b) In reviewing grant-in-aid programs the Comptroller General shall consider, among other relevant matters, the budgetary, accounting, reporting and administrative procedures applicable to such programs. Reports on such studies, together with recommendations, shall be submitted by the Comptroller General to the Congress. Reports on expiring programs should, to the extent practicable, be submitted in the year prior to the date set for their expiration.

STUDIES BY ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 603. Upon request of any committee having jurisdiction over a grant-in-aid program, the Advisory Commission on Intergovernmental Relations (established by Public Law 86-380, as amended) shall conduct studies of the intergovernmental relations aspects of such program including (1) the impact of such program, if any, on the structural organization of State and local governments and on Federal-State-local fiscal relations, and (2) the coordination of Federal administration of such program with State and local administration thereof, and shall report its findings and recommendations to such committee and to the Congress.

PRESERVATION OF HOUSE AND SENATE COMMITTEE JURISDICTION

SEC. 604. Nothing in this Act shall be construed to affect the jurisdiction of committees under the rules of the Senate and the House of Representatives.

Approved October 16, 1968.

ESTABLISHING AN OFFICE OF INTERGOVERNMENTAL
RELATIONS

EXECUTIVE ORDER 11455

[34 Fed. Reg. 2299]

By virtue of the authority vested in me by the Constitution and the statutes of the United States, and as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of the Office.* (a) There is hereby established the Office of Intergovernmental Relations (hereinafter referred to as "the Office"). The Office shall be under the immediate supervision of the Vice President of the United States.

(b) In addition to his other duties, the Vice President shall act as the President's liaison with executive and legislative officials of State and local governments; encourage and assist in facilitating maximum cooperation between and among the various Federal agencies and such other governments; help to make the Federal executive branch, especially those sectors thereof having a direct impact on intergovernmental relations, more sensitive, receptive and responsive to the views of State and local officials; serve as the focal point of efforts by Federal departments, agencies, and interagency councils and committees to resolve specific difficulties that arise in their relationships with such officials; work closely with and encourage the work of the Advisory Commission on Intergovernmental Relations; and inform the Council for Urban Affairs on general intergovernmental issues of an informational, administrative, or program nature so that the Council may more effectively advise and assist the President with respect to urban affairs.

SEC. 2. *Functions of the Office.* The Office shall advise and assist the Vice President with respect to (1) intergovernmental relations generally, and (2) the responsibilities assigned to the Vice President specifically under section 1(b). In addition, the Office shall:

(a) serve as the clearinghouse for the prompt handling and solution of Federal-State-local problems brought to the attention of the President or Vice President by executive and legislative officers of State and local governments;

(b) identify and report to the Vice President on recurring intergovernmental problems of a Federal interdepartmental and interprogram nature;

(c) explore and report to the Vice President on ways and means of strengthening the headquarters and interagency relationships of Federal field offices as they relate to intergovernmental activities;

(d) maintain continuing liaison with intergovernmental units in Federal departments and agencies and with the staff of the Council for Urban Affairs, and provide the staff of the Council with information and assistance regarding issues arising in Federal-State-local relations; and

(e) review procedures utilized by Federal executive agencies for affording State and local officials an opportunity to confer and comment on Federal assistance programs and other intergovernmental issues, and propose methods of strengthening such procedures.

SEC. 3. *Administrative Arrangements.* (a) A person designated by the Vice President shall serve as Director of the Office. The Director shall perform such duties as the Vice President may from time to time direct.

(b) A person designated by the Vice President shall serve as Deputy Director of the Office and assist the Director in performing those duties assigned to him.

(c) All Federal departments, agencies, interagency councils and committees having an impact on intergovernmental relations, and all Federal Executive Boards, shall extend full cooperation and assistance to the Vice President and the Director of the Office in carrying out the responsibilities under this order. The Director shall, upon request, assist all Federal departments and agencies with problems that may arise between them and the executive agencies or elected officials of State and local governments.

(d) The head of each Federal department and agency shall designate an appropriate official with broad general experience in his department or agency to serve, upon request of the Vice President, as a point of contact in carrying out Federal-State-local liaison activities under this order.

SEC. 4. *Construction.* (a) Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law to any such agency or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

(b) This order supersedes Executive Order No. 11426 of August 31, 1968.

RICHARD NIXON.

THE WHITE HOUSE, *February 14, 1969.*

OFFICE OF MANAGEMENT AND BUDGET

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 31, 1972.

Circular No. A-19, Revised.

To the heads of executive departments and establishments.

Subject: Legislative coordination and clearance.

1. *Purpose.*—This Circular outlines procedures for the coordination and clearance by the Office of Management and Budget (OMB) of agency recommendations on proposed, pending, and enrolled legislation. It also includes instructions on the timing and preparation of agency legislative programs.

2. *Rescission.*—This revision supersedes and rescinds Circular No. A-19, Revised, dated June 9, 1964, and Transmittal Memorandum No. 1, dated October 18, 1971.

3. *Background.*—OMB performs legislative coordination and clearance functions to (a) assist the President in developing his position on legislation, (b) make known the Administration's position on particular legislation for the guidance of the agencies and information of Congress, (c) assure appropriate consideration of the views of all affected agencies, and (d) assist the President with respect to his action on enrolled bills.

4. *Coverage.*—All executive branch agencies (as defined in paragraph 5b), are subject to the provisions of this Circular. Agencies of the legislative and judicial branches are not covered by its provisions.

5. *Definitions.*—For the purpose of this Circular, the following definitions shall apply:

a. *Advice.*—Information transmitted to an agency by OMB stating the relationship of particular legislation and reports thereon to the program of the President or stating the views of OMB as a staff agency for the President with respect to such legislation and reports.

b. *Agency.*—Any executive department or independent commission, board, bureau, office, agency, Government-owned or controlled corporation, or other establishment of the Government, including regulatory commission or board, and also the municipal government of the District of Columbia.

c. *Proposed legislation.**—A draft bill with supporting documents which an agency wishes to present to Congress for its consideration. Also, any proposal for or endorsement of legislation included in an agency's annual or special report or in other written form which an agency proposes to transmit to the Congress, or to any member or committee, or to make available to any study group, commission, or the public.

*The terms "proposed legislation" and "report" do not include materials submitted in justification of appropriation requests or proposals for reorganization plans.

d. *Pending bill*.—Any bill or resolution which has been introduced in Congress or any amendment to a bill or resolution while in committee or when proposed for House or Senate floor consideration during debate. Also, any proposal placed before the conferees on a bill which has passed both Houses.

e. *Report (including testimony)*.^{*}—Any written expression of official views prepared by an agency on pending bills for (1) transmittal to any committee, Member, or officer of Congress, or (2) presentation as testimony before a congressional committee.

f. *Enrolled bill*.—A bill or resolution passed by both Houses of Congress and presented to the President for his action.

6. *Agency legislative programs*.

a. *Submission to OMB*.—Each agency shall prepare and submit to OMB annually its proposed legislative program for the next session of Congress. These programs must be submitted at the same time as the initial submission of an agency's annual budget request as required by OMB Circular No. A-11. Timely submission is essential for consideration of the items in the programs by Executive Office staff in assisting the President in preparing his budget, legislative program, and annual and special messages.

b. *Late submission*.—Items not included in an agency's legislative program and which have significant upward impact on the annual budget under preparation will not be considered later unless they are the result of circumstances not foreseeable at the time final decisions are made on the budget.

c. *Number of copies*.—Each agency shall furnish 20 copies of its proposed legislative program to OMB. If an agency has no proposals to make, it should submit a statement to this effect.

d. *Program content*.—Each agency shall prepare its legislative program in accordance with Attachment A and its submission should include:

(1) All items of legislation which an agency contemplates proposing to Congress (or actively supporting, if already pending legislation) during the coming session, including proposals to extend expiring laws or repeal provisions of existing law. These items should be based on policy-level decisions within the agency and should take into account the President's known legislative, budgetary, and other relevant policies.

(2) A separate list of legislative proposals under active consideration in the agency which have not yet reached the stage of inclusion in its proposed legislative program. For each item in this list, the agency should indicate when it expects to reach a policy-level decision and, specifically, whether it expects to propose the item in time for its consideration for inclusion in the annual budget under preparation.

(3) A separate list of all laws or provisions of law affecting an agency which will expire between the date the program is submitted to OMB and the end of the two following calendar years, whether or not the agency plans to propose their extension. Agencies should propose extensions of expiring laws in the congressional session occurring in the year preceding the expiration date.

^{*}The terms "proposed legislation" and "report" do not include materials submitted in justification of appropriation requests or proposals for reorganization plans.

OFFICE OF MANAGEMENT AND BUDGET

(4) All items in the submissions which are proposed, or expected to be proposed, for inclusion in the annual budget shall be accompanied by a tabulation showing amounts for the budget year and for each of the four fiscal years following the budget year as required by section 221(a) of P.L. 91-510, the Legislative Reorganization Act of 1970 (31 U.S.C. 11(a)(12)). (For language of this section, see Attachment B.) The criteria provided in OMB Circular No. A-11 shall be used in preparing these tabulations and are also set forth in Attachment B.

e. *Relationship to advice.* Submission of a legislative program to OMB does not constitute a request for advice on specific legislative proposals. Such requests should be made in the manner prescribed in paragraph 7 of this Circular.

7. *Clearance of agency proposed legislation and reports*—The originating agency shall submit to OMB for clearance, proposed legislation or reports (as defined in paragraphs 5c and 5e) before they are transmitted outside the executive branch. Agencies should not commit themselves to testify on pending bills or to submit reports or proposed legislation to Congress on a time schedule which does not allow orderly coordination and clearance to take place. To facilitate congressional action on Administration proposals and to forestall hasty, last-minute clearance requests on pending legislation, agencies should plan their submission to OMB on a time schedule which will permit such coordination and clearance to take place. Particular care should be given to insuring that draft legislation to carry out Presidential legislative recommendations is submitted promptly to OMB with the maximum possible allowance for analysis and review.

a. *Timing of agency submissions.*

(1) Agencies should submit proposed legislation, reports and testimony to OMB well in advance of the desired date of transmission to the Congress.

(2) Depending on the complexity and significance of the subject matter, the policy issues involved, and the number of agencies affected, an adequate period for clearance by OMB may range from several days to a number of months. Agencies shall consult with OMB staff as to necessary periods for clearance, particularly in cases of major or complex legislation.

(3) On occasion, very short periods for clearances may be unavoidable because of congressional time schedules or other factors. Nevertheless, agencies should make every effort to give OMB a minimum of three full working days for clearance of proposed reports or testimony.

(4) Agencies shall state in their letters of transmittal to OMB any information on congressional schedules or other special circumstances which may require expedited clearance.

b. *Copies to be furnished.* Agencies should furnish at least six copies of proposed legislation (and supporting materials) and draft reports or testimony to OMB. In cases where wide circulation or expedited action may be required, the originating agency shall consult informally in advance with appropriate OMB staff as to the number of copies to be supplied.

c. *Items to be included in agency submissions.*

(1) Agencies should identify proposed legislation submitted to OMB by using the number assigned to the proposal in the agency's

legislative program submission; e.g., Agriculture, 92-12 (see Attachment A). They shall furnish with each proposal a draft of the transmittal letter to the Speaker of the House and the President of the Senate as well as background information and justification, including where applicable:

- (a) an analysis of the provisions of the proposed legislation;
- (b) comparison with existing law;
- (c) comparison with previous agency proposals or related bills introduced in the Congress;
- (d) a statement of other agencies' interests;
- (e) an indication of any consultation with other agencies in the development of the proposal;
- (f) an indication of the impact on State and local governments where significant; and
- (g) information required by statute or by Administration policies, as for example, that noted in paragraph 7d below.

(2) Similarly, in their letters requesting advice on reports or testimony, agencies should identify related bills and set forth any relevant comments not included in the report or testimony itself.

(3) In cases where legislation carries out a Presidential recommendation, agencies should include in the proposed report or the letter transmitting proposed legislation a statement identifying the recommendation and indicating the degree to which the legislation concerned will carry it out.

(4) Agencies shall include in their letters to OMB requesting clearance of proposed legislation and of those reports favoring legislation, an estimate of the budget authority and budget outlays for each of the first five years needed to carry out responsibilities under the legislation involved. The relationship of the first (or second) year's estimate to the President's budget should be described.

(5) Similarly, if the legislation in question would effect savings, increase or decrease Federal revenues, or affect the receipts or outlays of trust or special funds, agencies shall include in their transmittal letters to OMB estimates of these savings or changes.

(6) All estimates should be on a fiscal year basis. Estimates of budget authority and budget outlays shall be projected on the basis of the criteria set forth in Attachment B.

d. *Certain statutory requirements and Administration policies.* In the preparation of proposed legislation and reports, agencies shall carefully consider and take into account certain requirements of existing law and Administration policies and directives, which are of general applicability. Agency reports and proposed legislation, shall to the maximum extent possible, contain or be accompanied by, appropriate recommendations, statements, or provisions to give effect to such requirements, including the following:

(1) *Civil Rights:* Laws, Executive Orders, and other relevant directives in the civil rights area shall receive full consideration. These include Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) providing for equal access to and benefits from programs receiving Federal financial assistance; Titles VIII and IX of Public Law 90-284 (42 U.S.C. 3601ff and 3631) providing for equal opportunity in housing; section 2(8) of Public Law 85-536 (15 U.S.C. 637) providing the basis for channeling Federal agency procurement to minority businesses; the directives relating to equal employment opportu-

nity in the Federal Service and in private employment by Federal contractors (Executive Orders 11246 and 11478); and the directive on planning, acquisition, and management of Federal space (Executive Order 11512).

(2) *Environmental impact*: Public Law 91-190 (42 U.S.C. 4332) requires that agencies prepare detailed statements concerning the environmental impact of major Federal actions (including recommendations or reports on proposals for legislation) significantly affecting the quality of the human environment. Implementation of this requirement is dealt with generally in guidelines issued by the Council on Environmental Quality. However, information copies of required 102 statements should be submitted to OMB if available at the time clearance is requested.

(3) *Cost analysis*: Public Law 89-554 (5 U.S.C. 2953) requires that in certain cases agency reports and proposed legislation include five-year estimates of additional expenditures and manpower which would result from enactment of legislation. Public Law 91-510, sections 252(a) and (b), impose a similar requirement on congressional committees and require a comparison of the committee estimates with the five-year estimates of costs provided by executive agencies. (For ready reference, these statutory provisions are set forth in Attachment C.)

e. *OMB action on agency submissions.*

(1) Upon receipt of an agency's proposed legislation or report, OMB will undertake the necessary coordination with other interested agencies. If congressional committees have not requested reports from all of the interested agencies, OMB will request additional agency views within specified time limits which must be carefully observed. It will consult with the President, when appropriate, and undertake such staff work for him as may be necessary in cooperation with other Presidential staff. It may request the originating agency to provide additional information; or it may arrange interagency meetings to exchange views, resolve differences of opinion, or to clarify the factual situation.

(2) When coordination is completed, OMB will transmit advice to the appropriate agencies, either in writing or by telephone. In transmitting advice, it may indicate considerations which agencies should or may wish to take into account before submitting proposed legislation or reports to the Congress.

f. *Agency action on receipt of advice from OMB.*

(1) Agencies shall incorporate in their reports and in their letters transmitting proposed legislation to the Congress, the advice received from OMB.

(2) In the case of reports, receipt of advice contrary to views expressed does not require an agency to change its views. In such cases, however, the agency will review its position. If it decides to modify its views, the agency shall consult with OMB to determine what change, if any, in advice previously received is appropriate. If, after the review, the agency's views are not modified, it shall incorporate the advice received in full in its report.

(3) In the case of *proposed legislation*, the originating agency shall not submit to Congress any proposal which OMB has advised is in conflict with the programs of the President.

(4) Agencies shall furnish to OMB a copy of all proposed legislation, transmittal letters, and reports (including testimony) in the form actually transmitted to the Congress. In cases where reports or testimony cover more than one bill, agencies shall furnish one copy for each bill.

g. *Agency action where prior clearance has not been effected.*

(1) Agencies shall not submit to Congress proposed legislation which has not been coordinated and cleared within the executive branch in accordance with the provisions of this Circular.

(2) If congressional time schedules do not permit an agency to transmit its proposed report in time for the normal clearance and advice, the agency shall consult informally with OMB as to the advice to be included in the proposed report. OMB may advise the agency to state in its report that time has not permitted securing advice from OMB as to the relationship of the proposed report to the program of the President. Agencies shall transmit to OMB four copies of such reports at the same time that they are transmitted to the Congress. Where appropriate, OMB will subsequently furnish advice on the report, which the agency shall transmit promptly to the Congress.

(3) In cases where an agency has not submitted a report for clearance and its views on pending legislation are to be expressed in the form of oral, unwritten testimony, OMB will undertake such coordination and give such advice as the circumstances permit. In presenting oral testimony, the agency should indicate what advice, if any, has been received from OMB. If none has been obtained, the agency should so indicate.

h. *Drafting service.* Agencies need not submit for clearance bills which they prepare as a drafting service for a congressional committee or a Member of Congress, provided that they state in their transmittal letters that the drafting service does not constitute a commitment with respect to the position of the Administration or the agency. Agencies are encouraged to advise OMB of these drafting service requests while the requests are being complied with. A copy of each such draft bill and the accompanying letter should be furnished to OMB at the time of transmittal, together with an explanatory statement of what the bill would accomplish if that is not contained in the transmittal letter.

i. *Transmittal of agency communications to the Congress.* Agencies should observe the instructions in House and Senate rules to forward proposed legislation or various reports required by law to the Speaker of the House and the President of the Senate. These instructions do not require that reports which have been requested by committee chairmen on bills and resolutions pending before their committees be sent to the Speaker of the House and the President of the Senate. Such reports should be transmitted directly to the requesting committee.

j. *Reclearance requirements.* (1) The advice received from OMB generally applies to all sessions of each Congress, but does not carry over from one Congress to the next. Accordingly, agencies do not need to seek reclearance of reports on which they have already received advice before making the same reports on identical bills introduced in the same Congress, *unless* considerable time has elapsed or changed conditions indicate that the need for reclearance is appropriate or should be rechecked. Agencies shall, in cases where reclearance does not take place, include in the subsequent report appropriate reference

to the advice received on the original report. They shall also transmit one copy of any subsequent report to OMB at the same time that it is transmitted to the Congress. The transmittal letter to OMB should indicate what related report was previously cleared.

(2) Agencies wishing to request reclearance of a draft bill or report, identical or substantially similar to one cleared for transmittal to a previous Congress should transmit their request in a form similar to that illustrated in Attachment D. Submittal of lists of bills or reports will not suffice for this purpose.

(3) Agencies need not submit for clearance reports or written testimony on pending legislation if they have already received advice on the same legislation and the report or testimony simply confirms or enlarges on previously cleared reports or testimony and raises no new issue. However, prior to submitting such reports or testimony, agencies shall consult informally with an appropriate OMB staff member. Where appropriate, OMB may request submission of the report or testimony for clearance even if advice has previously been given with respect to the same legislation. In either case, agencies shall furnish OMB a copy of the report or testimony as sent or delivered.

k. *Use of no comment reports.* As a general rule, agencies should submit no comment reports only when they have no interest in the pending legislation or nothing to contribute by way of informed comment. Agencies should submit such reports for normal clearance, unless a different procedure is informally arranged with OMB. In either event, they should furnish OMB with one copy of each such report at the time it is transmitted to Congress.

8. *Interagency consultation.*—In carrying out their legislative functions, agencies are encouraged to consult with each other in order that all relevant interests and points of view may be considered and accommodated, where appropriate, in the formulation of their positions. Such consultation is particularly important in cases of overlapping interests, and intensive efforts should be made to reach inter-agency agreement before proposed legislation or reports are transmitted to OMB. However, in order that the President may have the individual views of the responsible heads of the agencies, any proposed legislation or reports so coordinated shall be transmitted to OMB by the individual agencies involved with appropriate reference to the interagency consultation which has taken place.

9. *Enrolled bills.*—Under the Constitution, the President has 10 days (including holidays but excluding Sundays) to act on enrolled bills after they are presented to him. To provide the fullest possible opportunity for Presidential consideration, agencies shall give enrolled bills top priority handling.

a. *Initial OMB action.* OMB will obtain facsimilies of enrolled bills from the Government Printing Office and immediately forward one facsimile to each interested agency, requesting the agency's views and its recommendation for Presidential action.

b. *Agency action.* Each agency receiving such a request shall immediately prepare a letter presenting its views and deliver it in duplicate to OMB not later than two working days after receipt of the facsimile. Different deadlines may be fixed as dictated by circumstances. Agencies shall deliver these letters by *special messenger* to OMB.

c. *Preparation of views letters.*

(1) Agencies' views letters on enrolled bills are transmitted to the President and should be written with the objective of assisting him in reaching a decision. Each letter should therefore be complete in itself and should not as a general rule incorporate by reference earlier reports.

(2) Views letters on enrolled bills are privileged communications and agencies shall be guided accordingly in determining their content.

(3) Because of the definitive nature of Presidential action on enrolled bills, agency views letters shall be signed by a Presidential appointee.

(4) Agencies' views letters shall contain :

(a) an analysis of the significant features of the bill including changes from existing law (OMB staff will communicate with the agencies on which one should write the detailed analysis of the bill where more than one agency is substantially affected) ;

(b) a comparison of the bill with Administration proposals, if any, on the same subject ;

(c) such comments, criticisms, analyses of benefits and shortcomings, or special considerations as will assist the President in reaching a decision ;

(d) identification of any factors which make it necessary or desirable for the President to act by a particular date ;

(e) an estimate of the first-year and recurring costs or savings and the relationship of the first-year estimates to the President's budget ; and

(f) a specific recommendation for approval or disapproval by the President.

(5) Agencies recommending disapproval shall submit with their views letters a proposed veto message or memorandum of disapproval, in quadruplicate, prepared on legal-size paper and double-spaced. Such messages or memoranda should be finished products in form and substance which can be used by the President without further revision.

(6) Agencies may wish, in exceptional cases, to recommend issuance of a signing statement by the President. Agencies so recommending shall submit with their views letters a draft of such statement, in the same form and quantity as required for a proposed veto message.

(7) Agencies' views letters on *private* bills shall cite, where appropriate, precedents which support the action they recommend or which need to be distinguished from the action recommended.

d. *Subsequent OMB action.* OMB will transmit to the President agencies' views letters, together with a covering memorandum, not later than the fifth day following receipt of the enrolled bill at the White House.

10. *Agency legislative liaison officers.* As an additional means of effecting interagency coordination, OMB will furnish agencies from time to time with lists of the liaison officers who have been designated by their agencies to handle the coordination of legislative matters. Agencies should promptly notify OMB of any change in their liaison officers.

11. *Communications to OMB.*

a. Written agency communications to OMB transmitting proposed legislation, proposed reports, views letters on other agencies' proposed

legislation or reports, and views letters on enrolled bills should generally be addressed to:

Director, Office of Management and Budget.

Attention: Assistant Director for Legislative Reference.

The envelopes containing such communications should be addressed:

Legislative Reference Division,
Office of Management and Budget,
Room 458, Old Executive Office Building.

unless a different arrangement is made with an appropriate OMB staff member.

b. Questions on status of proposed legislation, reports, testimony, or enrolled bills should be directed to appropriate OMB staff or to the Legislative Information Center (telephone 395-3900; IDS code 103-3900).

CASPAR W. WEINBERGER, *Director*.

Attachments.

ATTACHMENT A

(Circular No. A-19 Revised)

INSTRUCTIONS RELATING TO THE PREPARATION OF AGENCY LEGISLATIVE PROGRAMS

1. Agencies' proposed legislative program should be divided into two parts:

PART I—PRESIDENT'S PROGRAM PROPOSALS

Those items which the agency believes are of sufficient importance to be included in the President's legislative program and given specific endorsement by him in one of the regular annual messages, such as the budget message, or in a special message.

PART II—ALL OTHER PROPOSALS

2. Within each Part, agencies should list the items in order of relative priority. Each item of proposed legislation should be given a separate number for purposes of ready identification, using a numbering system which identifies the Congress; e.g., Agriculture, 92-12.

3. With respect to each item, agencies should provide the following information:

a. A brief description of the proposal, its objectives, and its relationship to existing programs. Agencies should include greater detail on the specific provisions of proposals included in Part I, or where the subject matter of the proposal contains new policies or programs or raises complex issues.

b. Pertinent comments as to timing and readiness of draft legislation.

c. Pertinent references to bills and reports concerning the subject of the proposal in current or recent sessions of Congress.

d. An estimate of (1) any budget authority and outlays which would be required during each of the first five years, (2) any savings in budget authority and outlays, or (3) any changes in budget receipts. These estimates should be made for both Federal funds and trust funds.

4. The lists of (a) legislative proposals still under consideration in an agency and (b) expiring laws (see paragraph 6 of the Circular) should be presented separately from Parts I and II. The following special instructions apply to them:

a. Items still under consideration should be listed in approximate order of priority and each briefly described in terms of subject matter and status.

b. Each expiring law should be described in terms of (1) the subject, (2) the citation, (3) the date of expiration, (4) the agency's views as to whether the law should be extended or permitted to expire, and (5) and other pertinent information. If an agency recommends extension, the proposal should be included in Part I or Part II, as appropriate.

5. The legislative program submission should be prepared on 8 x 10½ size paper. General conformance to the format of the attached exhibit will greatly facilitate the use of these programs.

EXHIBIT FOR ATTACHMENT A

(Circular No. A-19 Revised)

DEPARTMENT OF GOVERNMENT

Proposed legislative program for the — session of the — Congress. (Items in each Part are listed in order of priority.)

PART I—PRESIDENT'S PROGRAM PROPOSALS

92-1. *"GI Bill"*—authorize increases in educational assistance rate: This proposal would increase educational assistance allowances payable under chapters 31, 34, and 35 of title 38. These programs include vocational rehabilitation training for disabled veterans; education, vocational, cooperative, on-job, farm cooperative, and apprentice training for veterans; and institutional and cooperative training for children, widows and wives of deceased or totally and permanently service-connected disabled veterans.

The suggested new rate for a single veteran with no dependents who is pursuing a full-time institutional program would, for example, be \$190 per month compared with the currently \$175 monthly rate. This represents an increase of approximately 8.6% which is tantamount to the increase in the cost of living which has occurred since the last increase became effective on February 1, 1970. It is believed that substantial increases should be provided in the on-job and apprentice training programs—areas in which it is felt that larger increases are justified.

Although precise cost data has not been determined, it is believed that the annual increased cost would be of the magnitude of approximately \$175 million.

92-2. * * *

PART II—ALL OTHER PROPOSALS

92-3. *Repeal of Naval Stores, Wool Standards, and Tobacco Seed and Plant Exportation Acts.* This proposal would repeal 3 Acts which

are no longer necessary. The Agricultural Marketing Act of 1946 provides authorities to effectively carry out the purposes of the Naval Stores Act of 1923 and the Wool Standards Act of 1928. There is no constructive purpose to be served by the Tobacco Seed and Plant Exportation Act of 1940 in its restriction of American exports to tobacco seed and plants for experimental purposes only, since most of the tobacco producing countries of the world have well established research programs in tobacco seed breeding and production. Legislation to repeal these Acts was introduced in the 91st Congress as S. 568 but no action was taken.

(Dollars in thousands)

	1973	1974	1975	1976	1977
Budget authority.....		-59	-59	-59	-59
Outlays.....		-59	-59	-59	-59

ATTACHMENT B

(Circular No. A-19 Revised)

FIVE-YEAR PROJECTIONS FOR LEGISLATIVE PROPOSALS

Section 221(a) of Public Law 91-510, the Legislative Reorganization Act of 1970 (31 U.S.C. 11(a)(12)), requires that the annual budget include projections of appropriation requirements for four years beyond the budget year. The pertinent language of that section is set forth below for ready reference:

"(12) with respect to each proposal in the Budget for new or additional legislation which would create or expand any functions, activity, or authority, in addition to those functions, activities, and authorities then existing or as then being administered and operated, a tabulation showing—

"(A) the amount proposed in the Budget for appropriation and for expenditure in the ensuing fiscal year on account of such proposal; and

"(B) the estimated appropriation required on account of such proposal in each of the four fiscal years, immediately following that ensuing fiscal year, during which such proposal is to be in effect."

CRITERIA FOR FIVE-YEAR PROJECTIONS

A. *OMB Circular No. A-11* provides that five-year projections for legislative proposals included in the annual budget are to be developed on the basis of the following criteria:

1. The estimates shown for the budget year will be the same as the amounts contained in the regular program and financing schedules for those ongoing activities which require additional authorizing legislation; and the amount contained in schedules headed, "Proposed for separate transmittal under proposed legislation."

2. Estimates should be provided at a high level of program aggregation, avoiding relatively small details and program specifics for which five-year projects would be highly conjectural.

3. The 5-year estimates should be recognized as simple projections of cost (in constant dollars at prices existing at the time the estimates

are prepared), which: (a) are not intended to predict future economic conditions, and (b) do not reflect possible changes in the scope or quality of the program which might result from experience gained in actual practice.

4. In the case of legislation authorizing nonrecurring, one-time projects or activities, the estimates should provide for phasing the total cost over the period of time required for completion of the work involved.

5. In the case of legislation which extends ongoing programs, the forward projections should reflect only the discretionary program decisions made for the budget year. That is, the future year estimates should be a simple extension of the budget-year program level, with exceptions to be considered only where the program level is determined by statutory or other provisions which make the future year size of the program uncontrollable (e.g., beneficiary population growth); or where the legislation or other provisions clearly add a new component or activity to an ongoing program or significantly revise an ongoing program (in which case the estimates should include an appropriate amount to cover the cost of the added activity).

In the case of such legislation renewing or extending ongoing programs amounts for new substantive activities (i.e., activities not authorized in existing or expiring legislation or proposed reductions in activities) should be shown separately as nonadd entries. These entries should reflect only the increased (or decreased) costs due to policy changes proposed in the reauthorization legislation and should exclude the changes in funding requirements due to factors uncontrollable under current (or expiring) law, such as beneficiary population growth (or decline), etc.

6. Similarly, in the case of legislation authorizing new programs, the forward estimates should reflect only the discretionary decisions made for the budget year. Thus, the forward estimates will be a simple projection of the amount required for continuation on an annual basis of the approved program level that was incorporated in the estimate for the budget year. The projection for future years may, if and only if appropriate, take account of uncontrollable factors such as population growth; for example, population growth (or other demographic factors) may be considered if, and only if, it is clearly recognized in the legislation or other provisions as a determining factor in the size of the program.

B. *The Budget of the United States Government, Fiscal Year 1973, Table 16*, entitled "Legislative Proposals for Major New and Expanded Programs in the 1973 Budget," contains the following pertinent footnote:

"This table is supplied pursuant to the requirements of sec. 221(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510). Except for cost-of-living adjustments for social security and veterans compensation, the estimates represent simple projections of cost expressed in constant dollars at prices existing at the time the estimates are prepared. They are not intended to predict future economic conditions; they do not reflect possible changes in the scope or quality of the proposal which might result from experience gained in actual practice; nor do they reflect in all cases possible reductions in the costs of other programs that may come about as a result of adoption of the

proposals. Further, the resources which might appropriately be applied in later years will require a reexamination of the relative priorities of these and other Government programs, in the light of economic and other circumstances then prevailing. Thus, the estimates do not represent a commitment as to amounts to be included in future budgets.

ATTACHMENT C

(Circular No. A-19 Revised)

PUBLIC LAW 89-554 (5 U.S.C. 2953)

“(a) Each report, recommendation, or other communication, of an official nature, of an executive agency which—

“(1) relates to pending or proposed legislation which, if enacted, will entail an estimated annual expenditure of appropriated funds in excess of \$1,000,000.

“(2) is submitted or transmitted to the Congress or a committee thereof in compliance with law or on the initiative of the appropriate authority of the executive branch, and

“(3) officially proposes or recommends the creation or expansion, either by action of the Congress or by administrative action, of a function, activity, or authority of the executive agency to be in addition to those functions, activities, and authorities thereof existing when the report, recommendation, or other communication is so submitted or transmitted; shall contain a statement concerning the executive agency, for each of the first 5 fiscal years during which each additional or expanded function, activity, or authority so proposed or recommended is to be in effect, setting forth the following information:

“(A) The estimated maximum additional—

“(i) man-years of civilian employment, by general categories of positions;

“(ii) expenditures for personal services; and

“(iii) expenditures for all purposes other than personal services; which are attributable to the function, activity, or authority which will be required to be effected by the executive agency in connection with the performance thereof; and

“(B) such other statement, discussion, explanation, or other information as is considered advisable by the appropriate authority of the executive branch or that is required by Congress or a committee thereof.

“(b) Subsection (a) of this section does not apply to—

“(1) the Central Intelligence Agency;

“(2) a Government controlled corporation; or

“(3) the General Accounting Office.”

PUBLIC LAW 91-510, THE LEGISLATIVE REORGANIZATION ACT OF 1970
SECTIONS 252(a) (2 U.S.C. 190j) AND 252(b)

Section 252(a) of the Act provides:

“(1) the report accompanying each bill or joint resolution of a public character reported by any committee of the Senate (except the Committee on Appropriations) shall contain—

OFFICE OF MANAGEMENT AND BUDGET

“(A) An estimate, made by such committee, of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is reported and in each of the five fiscal years following such fiscal year (or for the authorized duration of any program authorized by such bill or joint resolution, if less than five years), except that, in the cause of measures affecting the revenues, such reports shall require only an estimate of the gain or loss in revenues for a one-year period; and

“(B) a comparison of the estimate of costs described in subparagraph (a) made by such committee with any estimate of costs made by any Federal agency; or

“(C) in lieu of such estimate or comparison, or both, a statement of the reasons why compliance by the committee with the requirements of subparagraph (A) or (B), or both, is impracticable.

“(2) It shall not be in order in the Senate to consider any such bill or joint resolution if such bill or joint resolution was reported in the Senate after the effective date of this subsection and the report of that committee of the Senate which reported such bill or joint resolution does not comply with the provisions of paragraph (1) of this subsection.”

Section 252(b) amends the Rules of the House of Representatives by adding similar language applicable to House committees.

ATTACHMENT D

(Circular No. A-19 Revised)

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C.

DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET,
Executive Office of the President,
Washington, D.C. 20503

Attention: Assistant Director for Legislative Reference.

Subject: Proposed report on H.R. 10000, 92d Congress.

The Department of Government has been requested to submit a report on the subject bill, which is identical with H.R. 9000 of the 91st Congress.

Will you please advise whether there is any objection to submitting the same report on the subject bill as was cleared by you on June 27, 1970, except for the following modifications:

[Rev. Circular A-95]

Federal and Federally Assisted Programs and Projects**EVALUATION, REVIEW, AND COORDINATION**

JANUARY 2, 1976.

1. *Purpose.* This Circular furnishes guidance to Federal agencies for cooperation with State and local governments in the evaluation, review, and coordination of Federal and federally assisted programs and projects. The Circular promulgates regulations (Attachment A) which provide, in part, for:

a. Encouraging the establishment of a project notification and review system to facilitate coordinated planning on an intergovernmental basis for certain Federal assistance programs in furtherance of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 and Title IV of the Intergovernmental Cooperation Act of 1968 (Attachment B).

b. Coordination of direct Federal development programs and projects with State, areawide, and local planning and programs pursuant to Title IV of the Intergovernmental Cooperation Act of 1968.

c. Securing the comments and views of State and local agencies which are authorized to develop and enforce environmental standards on certain Federal or federally assisted projects affecting the environment pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (Attachment (C)) and regulations of the Council on Environmental Quality.

d. Furthering the objectives of Title VI of the Civil Rights Act of 1964.

This Circular supersedes Circular No. A-95 (Revised), dated November 13, 1973 (Part II, FEDERAL REGISTER, Vol. 38, No. 228, pp. 32874-32881, November 23, 1973). It will become effective February 27, 1976.

2. *Basis.* This Circular has been prepared pursuant to:

a. Section 401(a) of the Intergovernmental Cooperation Act of 1968 which provides, in part, that:

The President shall * * * establish rules and regulations governing the formulation, evaluation and review of Federal programs and projects having a significant impact on area and community development. * * *

and the President's Memorandum of November 8, 1968, to the Director of the Bureau of the Budget (FEDERAL REGISTER, Vol. 33, No. 221, November 13, 1968) which provides:

By virtue of the authority vested in me by section 301 of title 3 of the United States Code and section 401(a) of the Intergovernmental Cooperation Act of 1968 (Public Law 90-577), I hereby delegate to you the authority vested in the President to establish the rules and regulations provided for in that section governing the formulation, evaluation, and review of Federal programs and projects

OFFICE OF MANAGEMENT AND BUDGET

having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives.

In addition, I expect the Bureau of the Budget to generally coordinate the actions of the departments and agencies in exercising the new authorizations provided by the Intergovernmental Cooperation Act, with the objective of consistent and uniform action by the Federal Government.

b. Title IV, section 403, of the Intergovernmental Cooperation Act of 1968 which provides that:

The Bureau of the Budget or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this Title.

c. Section 204(c) of the Demonstration Cities and Metropolitan Development Act of 1966 which provides that:

The Bureau of the Budget, or such other agency as may be designated by the President, shall prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.

d. Reorganization Plan No. 2 of 1970 and Executive Order No. 11541 of July 1, 1970, which vest all functions of the Bureau of the Budget or the Director of the Bureau of the Budget in the Director of the Office of Management and Budget.

3. *Coverage.* The regulations promulgated by this Circular (Attachment A) will have applicability:

a. Under Part I, to all projects and activities (or significant substantive changes thereto) for which Federal assistance is being sought under the programs listed in Attachment D or Appendix I of the *Catalog of Federal Domestic Assistance* whichever bears the later date. Limitations and provisions for exceptions are noted therein or under paragraph 8 of Part I.

b. Under Part II, to all direct Federal development activities, including the acquisition, use, and disposal of Federal real property; in addition, agencies responsible for granting licenses and permits for developments or activities significantly affecting area and community development or the physical environment are strongly urged to consult with clearinghouses on applications for such licenses or permits.

c. Under Part III, to all Federal programs as listed in Appendix II of the *Catalog of Federal Domestic Assistance*, requiring, by statute or administrative regulation, a State plan as a condition of assistance.

d. Under Part IV, to all Federal programs providing assistance to State, areawide, or local agencies or organizations for multijurisdictional or areawide planning.

4. "A-95: *What It Is—How It Works.*" A fuller discussion of the background, purposes, and objectives of the Circular and of the requirements promulgated thereunder may be found in the brochure. "A-95: *What It Is—How It Works,*" obtainable from the Office of Management and Budget or from Federal Regional Councils.

5. "A-95 *Administrative Notes.*" From time to time OMB will issue "A-95 *Administrative Notes*" providing interim determinations or interpretations on matters of national scope relating to administration of the Circular.

6. *Federal Regional Councils.* Federal Regional Councils are responsible for coordinating the implementation of the requirements of this Circular at the Federal regional level. The Office of Management and Budget is responsible for policy oversight of the Circular and liaison

with departmental and agency liaison officers on matters of national scale related to the requirements of the Circular.

7. *Federal agency implementing procedures and regulations.* Agencies will develop interim procedures and regulations implementing the requirements of this Circular revision which will become effective on February 27, 1976. The interim procedures and regulations will be published in the FEDERAL REGISTER no later than February 27, 1976. Agencies will promulgate final implementing procedures and regulations no later than April 29, 1976. OMB will assist and cooperate with agencies in developing such procedures and regulations.

8. *Inquiries.* Inquiries concerning this Circular may be addressed to the Regional A-95 Coordinator for the appropriate Federal Regional Council or to the Office of Management and Budget, Washington, D.C. 20503, telephone (202)-395-3031.

JAMES T. LYNN, *Director.*

ATTACHMENT A—CIRCULAR NO. A-95 REVISED

Regulations Under Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, Title IV of the Intergovernmental Cooperation Act of 1968, and Section 102(2)(C) of the National Environmental Policy Act of 1969

PART I: PROJECT NOTIFICATION AND REVIEW SYSTEM

1. *Purpose.* The purpose of this Part is to:

a. Further the policies and directives of Title IV of the Intergovernmental Cooperation Act of 1968 by encouraging the establishment of a network of State and areawide planning and development clearinghouses which will aid in the coordination of Federal or federally assisted projects and programs with State, areawide, and local planning for orderly growth and development.

b. Implement the requirements or ¹ section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 for metropolitan areas within that network.

c. Implement, in part, requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, which require that State, areawide, and local agencies which are authorized to develop and enforce environmental standards be given an opportunity to comment on the environmental impact of Federal or federally assisted projects.

d. Provide public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to participate in the review process established under this Part.

e. Encourage, by means of early contact between applicants for Federal assistance and State and local governments and agencies, an expeditious process of intergovernmental coordination and review of proposed projects.

2. *Notification of intent.*

a. Any agency of State or local government or any organization or individual undertaking to apply for assistance to a project or major substantive modification thereto under a Federal program covered by this Part will be required to notify both the State and areawide planning and development clearinghouse in the jurisdiction of which the

¹ So in original.

project is to be located of its intent to apply for assistance at such time as it determines it will develop an application.

In the case of applications for projects involving land or water use and development or construction in the National Capital Region (as defined in section 1(b) of the National Capital Planning Act of 1952, as amended) a copy of the notification will be sent to the National Capital Planning Commission (NCPC) in addition to the areawide clearinghouse and the appropriate State clearinghouse. NCPC is the official planning agency for the Federal Government in the National Capital Region.

In the case of an application in any State for an activity that is Statewide or broader in nature (such as for various types of research) and does not affect nor have specific applicability to areawide or local planning and programs, the notification need be sent only to the State clearinghouse. Involvement of areawide clearinghouses in the review in such cases will be at the initiative of the State clearinghouse.

Notifications will include a summary description of the project for which assistance will be sought. The summary description will contain the following information, as appropriate and to the extent available:

- (1) Identity of the applicant agency, organization, or individual.
- (2) The geographic location of the project to be assisted. A map should be provided, if appropriate.
- (3) A brief description of the proposed project to be assisted. A map should be scale, estimated cost, beneficiaries, or other characteristics which will enable the clearinghouses to identify agencies of State or local government having plans, programs, or projects that might be affected by the proposed projects.
- (4) A statement as to whether or not the applicant has been advised by the funding agency from which assistance is being sought that he will be required to submit environmental impact information in connection with the proposed project.
- (5) The Federal program title and number and agency under which assistance will be sought as indicated in Attachment D or the latest *Catalog of Federal Domestic Assistance*. (The *Catalog* is issued annually in the spring and is updated during the year.) In the case of programs not listed therein, programs will be identified by Public Law number or U.S. Code citation.

(6) The estimated date the applicant expects to formally file an application. Many clearinghouses have developed notification forms and instructions. Applicants are urged to contact their clearinghouses for such information in order to expedite clearinghouse review.

b. In order to assure maximum time for effective coordination and so as not to delay the timely submission of the completed application to the funding agency, notifications containing the preliminary information indicated above should be sent at the earliest feasible time.

c. Applicants from federally recognized Indian tribes are not subject to the requirements of this Part. However, Indian tribes may voluntarily participate in the Project Notification and Review System and are encouraged to do so. Federal agencies will notify the appropriate State and areawide clearinghouses of any applications from federally recognized Indian tribes upon their receipt. Where a federally recognized Tribal Government has established a mechanism for coordinating the activities of Tribal departments, divisions, enterprises,

and entities, Federal agencies will, upon request of such Tribal Government transmitted through the Office of Management and Budget, require that applications for assistance under programs covered by this Part from such Tribal departments, divisions, enterprises, and entities be subject to review by such Tribal coordinating mechanism as though it were a State or areawide clearinghouse.

3. *Clearinghouse functions.* Clearinghouse functions include:

a. Evaluating the significance of proposed Federal or federally assisted projects to State, areawide, or local plans and programs.

b. Receiving and disseminating project notifications to appropriate State and multistate agencies in the case of the State clearinghouse and to appropriate local governments and agencies and regional organizations in the case of areawide clearinghouses; and providing liaison, as may be necessary, between such agencies or bodies and the applicant. In the case of units of general local government, notifications of all projects affecting his jurisdiction will, if requested, be sent to the chief executive of such unit by the areawide clearinghouse or to such central agency as he may designate for review and reference to appropriate agencies of such unit.

c. In the case of projects under programs covered by this Part located in the coastal zone, as defined in the Coastal Zone Management Act of 1972, assuring that the State agency, if other than the State clearinghouse, responsible for administration of the approved program for the management of the coastal zone, is given opportunity to review the project for its relationship to such program and its consistency therewith.

d. Assuring, pursuant to section 102(2) (C) of the National Environmental Policy Act of 1969, that appropriate State, multistate, areawide, or local agencies which are authorized to develop and enforce environmental standards are informed of and are given opportunity to review and comment on the environmental significance of proposed projects for which Federal assistance is sought.

e. Providing public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to review and comment on the civil rights aspects of the project for which assistance is sought.

f. Providing, pursuant to Part II of these regulations, liaison between Federal agencies contemplating direct Federal development projects and the State or areawide agencies or local governments having plans or programs that might be affected by the proposed project.

g. In the case of a project for which Federal assistance is sought by a special purpose unit of local government, clearinghouses will assure that any unit of general local government having jurisdiction over the area in which the project is to be located has opportunity to confer, consult, and comment upon the project and the application.

h. Where areawide clearinghouse jurisdictions are contiguous, coordinative arrangements should be established between the clearinghouses in such areas to assure that projects in one area which may have an impact on the development of a contiguous area are jointly studied. Any comments and recommendations made by or through a clearinghouse in one area on a project in a contiguous area will accompany the application for assistance to that project.

4. *Consultation and review.* a. State and areawide clearinghouses may have a period of 30 days after receipt of a project notification in which to inform State and multistate agencies and local or regional governments or agencies (including agencies referred to in subparagraphs c, d, and e, above) that may be affected by the proposed project and arrange, as may be necessary, to consult with the applicant thereon. The review may be completed in this period and comments may be submitted to the applicant.

b. If the review is not completed during this period, the clearinghouse may work with the applicant in the resolution of any problems raised by the proposed project during the period in which the application is being completed.

c. In cases where no project notification has been submitted and the clearinghouse receives only a completed application, it may have 60 days to review the completed application. If a completed application is submitted during the first 30 days after a notification has been submitted, the clearinghouse may have 30 days plus the number of days remaining in the initial 30 day notification period to complete its review. In all other cases, the clearinghouse may have 30 days to review a completed application. Where clearinghouses have not completed their reviews during the 30 day notification period, they are strongly urged to give the applicant formal notice to that effect. Where reviews have been completed prior to completion of an application, an information copy will be supplied to the clearinghouse, upon request, when the application is submitted to the funding agency.

d. Written comments submitted to the areawide clearinghouse by other jurisdictions, agencies, or parties will be included as attachments to the comments of areawide clearinghouses, when they are at variance with the clearinghouse comments; and others from whom comments were solicited and received should be listed.

e. Under some programs, applicants—primarily nongovernmental—are required to submit confidential information to the funding agency. Such information may relate to the applicant's financial status or structure (e.g., overall investment program or holdings); to personnel (e.g., personal histories of project officers) or may involve proprietary information (e.g., industrial processes, research ideas). Such confidential information need not be included with applications submitted to clearinghouses for review.

f. Applicants will include with the completed application as submitted to the Federal agency (or to the State agency in the case of projects for which the State, under certain programs has final project approval):

(1) All comments and recommendations made by or through clearinghouses, along with a statement that such comments have been considered prior to submission of the application; or

(2) Where no comments have been received from a clearinghouse, a statement that the procedures outlined in this section have been followed and that no comments or recommendations have been received.

g. Applications for renewal or continuation grants or applications not submitted to or acted on by the funding agency within one year after completion of clearinghouse review will be subject to re-review upon request of the clearinghouse.

5. *Subject matter of comments and recommendations.* Comments and recommendations made by or through clearinghouses with respect to any project are for the purpose of assuring maximum consistency of such project with State, areawide, and local comprehensive plans. They are also intended to assist the Federal agency (or State agency, in the case of projects for which the State under certain Federal grants has final project approval) administering such a program in determining whether the project is in accord with applicable Federal law, particularly those requiring consistency with State, areawide, or local plans. Comments or recommendations may include, but need not be limited to, information about:

a. The extent to which the project is consistent with or contributes to the fulfillment of comprehensive planning for the State, area, or locality.

b. The extent to which the proposed project:

(1) Duplicates, runs counter to, or needs to be coordinated with other projects or activities being carried out in or affecting the area; or

(2) Might be revised to increase its effectiveness or efficiency in relationship to other State, area, or local programs and projects.

c. The extent to which the project contributes to the achievement of State, areawide, and local objectives and priorities relating to natural and human resources and economic and community development as specified in section 401 of the Intergovernmental Cooperation Act of 1968, including:

(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, mineral, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Concern for high standards of design.

d. As provided under section 102(2)(C) of the National Environmental Policy Act of 1969, the extent to which the project significantly affects the environment including consideration of:

(1) The environmental impact of the proposed project;

(2) Any adverse environmental effects which cannot be avoided should the proposed project be implemented;

(3) Alternatives to the proposed project;

(4) The relationship between local short term uses of man's environment and the maintenance and enhancement of long term productivity; and

(5) Any irreversible and irretrievable commitments of resources which would be involved in the proposed project or action, should it be implemented.

e. Effects on energy resource supply and demand.

f. The extent to which people or businesses will be displaced and the availability of relocation resources.

g. As provided under section 307(d) of the Coastal Zone Management Act of 1972, in the case of a project located in the coastal zone, the relationship of the project to the approved State program for the management of the coastal zone and its consistency therewith.

h. The extent to which the project contributes to more balanced patterns of settlement and delivery of services to all sectors of the area population, including minority groups.

i. In the case of a project for which assistance is being sought by a special purpose unit of local government, whether the unit of general local government having jurisdiction over the area in which the project is to be located has applied, or plans to apply, for assistance for the same or a similar type project. This information is necessary to enable the Federal (or State) agency to make the judgments required under section 402 of the Intergovernmental Cooperation Act of 1968.

6. *Federal agency procedures.* Federal agencies having programs covered under this Part will develop appropriate procedures for:

a. Informing potential applicants for assistance under such programs of the requirements of this Part (1) in program information materials, (2) in response to inquiries respecting application procedures, (3) in pre-application conferences, or (4) by other means which will assure earliest contact between applicant and clearinghouses.

b. Assuring that all applications for assistance under programs covered by this part have been submitted to appropriate clearinghouses for review prior to their submission to the funding agency. Applications that do not carry evidence that both areawide and State clearinghouses have been given an opportunity to review the application will be returned to the applicant with instructions to fulfill the requirements of this Part. Agencies will insure that all applications contain a State Application Identifier (SAI) number. (This is mandatory for use in notifying clearinghouses of action taken on the application.)

c. Notifying such clearinghouses within seven working days of any major action taken on such applications that have been reviewed by said clearinghouses. Major actions will include awards, rejections, returns for amendment, deferrals, or withdrawals. The standard multipurpose form, SF 424, promulgated by Federal Management Circular 74-7, will be used for this purpose, unless a waiver has been granted by OMB. (See Attachment E.)

d. Where a clearinghouse has recommended against approval of an application or approval only with specific and major substantive changes, and the funding agency approves the application substantially as submitted, the funding agency will provide the clearinghouse, along with the action notice, an explanation therefor.

e. Where a clearinghouse has recommended against approval of a project because it conflicts with or duplicates another Federal or federally assisted project, the funding agency will consult with the agency assisting the reference projects prior to acting, if it plans to approve the application.

f. Assuring, in the case of an application submitted by a special purpose unit of local government, where accompanying comments indicate that the unit of general local government having jurisdiction

over the area in which the project is to be located has submitted or plans to submit an application for assistance for the same or a similar type project, that appropriate considerations and preferences as specified in section 402 of the Intergovernmental Cooperation Act of 1968, are accorded the unit of general local government. Where such preference cannot be so accorded, the agency shall supply, in writing, to the unit of general local government and the Office of Management and Budget its reasons therefor.

7. *Housing programs.* For housing programs of the Department of Housing and Urban Development, the Veterans Administration, and the Farmers Home Administration of the Department of Agriculture the following procedures will be followed, except as provided in subparagraph d below:

a. The appropriate HUD, VA, or USDA/FHA office will transmit to the appropriate State and areawide clearinghouses a copy of the initial application for project approval.

b. Clearinghouses will have 30 days from receipt to review the applications and to forward to the HUD, VA, or USDA/FHA office any comments which they may have, including observations concerning the consistency of the proposed project with State and areawide development plans, the extent to which the proposed project will provide housing opportunities for all segments of the community, and identification of major environmental concerns including impact on energy resource supply and demand. Processing of applications in the HUD, VA, or USDA/FHA office will proceed concurrently with the clearinghouse review.

c. This procedure will include only applications involving new construction or substantial rehabilitation and will apply to applications for loans, loan guarantees, mortgage insurance, or other housing assistance:

(1) In Urbanized Areas, as defined by the U.S. Bureau of the Census (see Appendix A, 1970 Census of Population, Characteristics of the Population or Characteristics of Housing), to:

- (a) Subdivisions having 25 or more lots.
- (b) Multifamily projects having 50 or more dwelling units.
- (c) Mobile home courts with 50 or more spaces.
- (d) College housing provided under the debt service or direct loan student programs for 200 or more students.

(2) In all other areas, to:

- (a) Subdivisions having 10 or more lots.
- (b) Multifamily projects having 25 or more dwelling units.
- (c) Mobile home courts with 25 or more spaces.
- (d) College housing provided under the debt service or direct loan program for 100 or more students.

d. As an alternative to the above procedure, the developer may submit his application directly to the appropriate clearinghouses prior to submitting it to the Federal agency. In such cases, the application, when submitted to the Federal agency, will be accompanied by the comments of the clearinghouses.

e. *Exemption:* Applications for additional units in a subdivision substantially completed (i.e., with streets, water and sewer facilities, culverts, etc.) are exempted from this requirement when:

(1) The subdivision was approved and/or recorded by the appropriate unit of local government within three years of the application submittal; and

(2) In cases of subdivisions approved more than three years prior, the clearinghouses waive the requirement.

This exemption does not apply to applications for housing in an undeveloped subdivision or in proposed extensions of existing subdivisions.

8. *Coverage, exceptions, and variations.* a. Generally, this Part of this Circular and the laws on which it is based are concerned with programs providing financial assistance to projects and activities which have an impact on State, areawide, and local development, including development of natural, economic, and human resources. This Part is concerned with achieving the most effective and efficient utilization of Federal assistance programs through coordination among and between Federal, multistate, State, areawide, and local plans and programs and the elimination of conflict, overlap, and duplication of projects and activities under such programs. Coverage under this Part includes, or will be extended from time to time as deemed necessary and practicable to include programs bearing upon these concerns and objectives.

b. Programs not considered appropriate to this Part are programs of the following types:

(1) Direct financial assistance to individuals or families for housing, welfare, health care services, education, training, economic improvement, and other direct assistance for individual and family enhancement.

(2) Incentive payments or insurance for private sector activities not involving real property development or land use and development.

(3) Agricultural crop supports or payments.

(4) Assistance to organizations and institutions for the provision of education or training not designed to meet the needs of specific individual States or localities.

(5) Research, not involving capital construction, which is national in scope or is not resigned¹ to meet the needs or to address problems of a particular State, area, or locality (except in the case of demonstration or pilot research programs where projects may have an impact on the community or area in which they are being conducted).

(6) Assistance to educational, medical, or similar service institutions or agencies for internal staff development or management improvement purposes.

(7) Assistance to educational institutions for activities that are part of a school's regular academic program and are not related to local programs of health, welfare, employment, or other social services.

(8) Assistance for construction involving only routine maintenance, repair, or minor construction which does not change the use or the scale or intensity of use of the structure or facility.

c. OMB will consider Federal agency requests for exemption of certain classes of projects or activities under programs otherwise covered which:

(1) Meet any of the above characteristics of programs inappropriate for coverage under this Part;

¹ So in original.

OFFICE OF MANAGEMENT AND BUDGET

(2) Are of small scale or size or are highly localized as to impact; or
(3) Display other characteristics which might make review impractical.

d. OMB will consider Federal agency requests for procedural variations from normal review processes:

(1) On a temporary basis for programs with time constraints brought about because of start up requirements or other unusual circumstances beyond the control of the funding agency. (Note: Delay in fund availability is not normally an acceptable reason for a variation. When a delay is anticipated, applicants should be instructed to have their applications reviewed by clearinghouses in readiness for submission when funds become available.)

(2) For programs where statutory or related procedural limitations make the normal review processes impracticable.

e. All requests from Federal agencies for exemptions or procedural variations should be addressed to the Associate Director for Management and Operations, Office of Management and Budget.

f. Individual clearinghouses may exempt certain types of projects from review for reasons indicated above or for other reasons appropriate to the State or area.

g. Applicants should be made aware that, in various States, State law requires review of applications for Federal assistance under various programs not covered by this Part. Implementation of such laws is enforced through State rules and regulations, and applicants are urged to ascertain the existence of such laws and to acquaint themselves with applicable State procedures.

9. *Joint funding.* Applications for assistance to activities under the Joint Funding Simplification Act (P.L. 93-510) or any other joint funding authority, which involve activities funded under one or more of the programs covered under this Part, will be subject to the requirements of this Part.

10. *Agency procedures and regulations.* a. Proposed agency procedures and regulations for implementing the requirements of this Part will be published in the FEDERAL REGISTER as specified in paragraph 7 of this Circular. Programs to which the procedures and regulations will apply will be cited by their numbers in the *Catalog of Federal Domestic Assistance*. Where such numbers have not yet been assigned, programs will be referenced by Public Law and section or by U.S. Code citation. Subsequent amendments to such procedures and regulations will also be published pursuant to paragraph 7 of the Circular.

b. As a part of such proposed procedures and regulations published in the FEDERAL REGISTER, agencies may identify specific types of projects which they believe should be exempt from coverage under programs for which proposed procedures and regulations are being published. Such publication will constitute a formal request for exemption to the Office of Management and Budget, to which it will respond in its review of the proposed procedures and regulations.

c. OMB will assist and cooperate with agencies in developing such procedures and regulations.

d. A copy of agency internal procedures for implementation of this Part, if not contained in the above procedures and regulations, will be sent to the Associate Director of the Office of Management and Budget for Management and Operations.

11. *Reports and directories.* a. The Director of the Office of Management and Budget may require reports, from time to time, on the implementation of this Part.

b. The Office of Management and Budget will maintain and distribute to appropriate Federal agencies a directory of State and area-wide clearinghouses.

c. The Office of Management and Budget will notify Federal Regional Councils, clearinghouses, and Federal agencies of any excepted categories of projects under covered programs.

PART II: DIRECT FEDERAL DEVELOPMENT

1. *Purpose.* The purpose of this Part is to:

a. Provide State and local government with information on projected Federal development so as to facilitate coordination with State, areawide, and local plans and programs.

b. Provide Federal agencies with information on the relationship of proposed direct Federal development projects and activities to State, areawide, and local plans and programs; and to assure maximum feasible consistency of Federal developments with State, areawide, and local plans and programs.

c. Provide Federal agencies with information on the possible impact on the environment of proposed Federal development.

2. *Coordination of direct Federal development projects with State, areawide, and local development.* a. Federal agencies having responsibility for the planning and construction of Federal buildings and installations or other Federal public works or development or for the acquisition, use, and disposal of Federal land and real property will establish procedures for:

(1) Consulting with Governors, State and areawide clearinghouses, and local elected officials at the earliest practicable stage in project or development planning on the relationship of any plan or project to the development plans and programs of the State, area, or locality in which the project is to be located. In the case of projects in the National Capital Region, such consultation should be undertaken in cooperation with the National Capital Planning Commission.

(2) Assuring that any such Federal plan or project is consistent or compatible with State, areawide, and local development plans and programs identified in the course of such consultations. Exceptions will be made only where there is clear justification. Explanation of any necessary inconsistency or incompatibility will be provided, in writing, to the appropriate clearinghouses.

(3) Providing State, areawide, and local agencies which are authorized to develop and enforce environmental standards with adequate opportunity to review such Federal plans and projects pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969. Any comments of such agencies will accompany the environmental impact statement submitted by the Federal agency.

(4) Providing, in the case of projects located in the coastal zone, the State agency responsible for administration of the approved program for the management of the coastal zone with opportunity to review the relationship of the proposed project to such program and its consistency therewith.

(5) Providing, through the appropriate clearinghouses, Health Systems Agencies and State Health Planning and Development Agencies designated pursuant to the National Health Planning and Resources Development Act of 1974 with adequate opportunity to review Federal projects for construction and/or equipment involving capital expenditures exceeding \$200,000 for modernization, conversion, and expansion of Federal inpatient care facilities, which alter the bed capacity or modify the primary function of the facility, as well as plans for provision of major new medical care services. (Excluded are projects to renovate or install mechanical systems, air conditioning systems, or other similar internal system modifications.) The agencies are expected to evaluate proposed Federal projects for consistency with areawide and local health delivery plans and health supply-demand situations, as well as considering clearinghouse comments on such specific points as those listed in paragraph 5 of Part I. The comments of such agencies and any clearinghouse comments will accompany the plan and budget requests submitted by the Federal agency to the Office of Management and Budget or a certification that the agencies and clearinghouses had been provided a reasonable time to comment and had failed to do so.

3. *Use of clearinghouses.* The State and areawide planning and development clearinghouses established pursuant to Part I will be utilized to the greatest extent practicable to effectuate the requirements of this Part. Agencies are urged to establish early contact with clearinghouses to work out arrangements for carrying out the consultation and review required under this Part, including identification of types of projects considered appropriate for consultation and review. Clearinghouses may utilize criteria set forth in paragraph 5 of Part I in evaluating direct Federal development projects.

4. *Federal licenses and permits.* Agencies responsible for granting Federal licenses and permits for development projects and activities which would have a significant impact on State, interstate, areawide, or local development plans or programs or on the environment are strongly urged to consult with State and areawide clearinghouses and to seek their evaluations of such impacts prior to granting such licenses or permits.

5. *Agency procedures and regulations.* a. To the greatest extent possible, agencies engaged in direct Federal development activities will follow the general procedures outlined under Part I of Attachment A in affording State and areawide clearinghouses opportunities to review and comment on plans and developments.

b. Where legislative or executive constraints or related circumstances do not permit following such procedures, agency procedures and regulations will set forth for each program at a minimum:

(1) The point in project planning at which clearinghouses will be contacted;

(2) The minimum time clearinghouses will be afforded to review the proposed project;

(3) The minimum information to be provided to the clearinghouses; and

(4) Procedures for notifying clearinghouses on actions taken on such project (implementation, timing, postponement, abandonment)

and explaining actions taken contrary to clearinghouse recommendations.

c. The Office of Management and Budget will consider other procedures such as memoranda of agreement between Federal installations and clearinghouses for coordinating Federal and civilian planning, that are designed to achieve the objectives of this Part.

d. All proposed agency procedures and regulations to implement this Part will be published in the **FEDERAL REGISTER** pursuant to paragraph 7 of the Circular. OMB will assist and cooperate with agencies in developing such procedures and regulations.

PART III: STATE PLANS

1. *Purpose.* The purpose of this Part is to provide Federal agencies with information about the relationship to State or areawide comprehensive planning of State plans which are required or form the basis for funding under various Federal programs.

2. *State plans.* To the extent not presently required by statute or administrative regulation, Federal agencies administering programs requiring by statute or regulation a State plan as a condition of assistance under such programs will require that the Governor, or his delegated agency, be given the opportunity to comment on the relationship of such State plan to comprehensive and other State plans and programs and to those of affected areawide or local jurisdictions. The Governor is urged to involve areawide clearinghouses in the review of State plans, particularly where such plans have specific applicability to or affect areawide or local plans and programs.

a. The Governor will be afforded a period of 45 days in which to make such comments, and any such comments will be transmitted with the plan.

b. A "State plan" under this Part is defined to include any required supporting planning reports or documentation that indicate the programs, projects, and activities for which Federal funds will be utilized. Such reports or documentation will also be submitted for review at the request of the Governor or the agency he has designated to perform review under this Part.

c. Programs requiring State plans are listed in Appendix II of the *Catalog of Federal Domestic Assistance*.

PART IV: COORDINATION OF PLANNING IN MULTIJURISDICTIONAL AREAS

1. *Policies and objectives.* The purposes of this Part are:

a. To encourage and facilitate State and local initiative and responsibility in developing organizational and procedural arrangements for coordinating comprehensive and functional planning activities.

b. To eliminate overlap, duplication, and competition in areawide planning activities assisted or required under Federal programs and to encourage the most effective use of State and local resources available for planning.

c. To minimize inconsistency among Federal administrative and approval requirements placed on areawide planning activities.

d. To encourage the States to exercise leadership in delineating and establishing a system of planning and development districts or regions

in each State, which can provide a consistent geographic base for the planning and coordination of Federal, State, and local development programs.

e. To encourage Federal agencies administering programs assisting or requiring areawide planning to utilize agencies that have been designated to perform areawide comprehensive planning in planning and development districts or regions established pursuant to subparagraph d above (generally, areawide clearinghouses designated pursuant to Part I of Attachment A of this Circular) to carry out or coordinate planning under such programs. In the case of interstate metropolitan areas, agencies designated as metropolitan areawide clearinghouses should be utilized to the extent possible to carry out or coordinate Federally assisted or required areawide planning.

2. *Common or consistent planning and development districts or regions.* a. Prior to the designation or redesignation (or approval thereof) of any planning and development district or region under any Federal program, Federal agency procedures will provide a period of 30 days for the Governor(s) of the State(s) in which the district or region will be located to review the boundaries thereof and comment upon its relationship to planning and development districts or regions established by the State. Where the State has established such planning and development districts, the boundaries of areas designated under Federal programs will conform to them unless there is clear justification for not doing so.

b. Where the State has not established planning and development districts or regions which provide a basis for evaluation of the boundaries of the area proposed for designation, major units of general local government and the appropriate Federal Regional Council in such areas will also be consulted prior to designation of the area to assure consistency with districts established under inter-local agreement and under related Federal programs.

c. The Office of Management and Budget will be notified through the appropriate Federal Regional Council by Federal agencies of any proposed designation and will be informed of such designation when it is made, including such justifications as may be required under subparagraph a above.

3. *Common and consistent planning bases and coordination of related activities in multijurisdictional areas.* Each agency will develop procedures and requirements for applications for multijurisdictional planning and development assistance under appropriate programs to assure the fullest consistency and coordination with related planning and development being carried on by the areawide comprehensive planning agency or clearinghouse designated under Part I of this Circular in the multijurisdictional area.

Such procedures shall include provision for submission to the funding agency by any applicant for multijurisdictional planning assistance, if the applicant is other than an areawide comprehensive planning agency referred to in paragraph 1e of this Part, of a memorandum of agreement between the applicant and such areawide comprehensive planning agency covering the means by which their planning activities will be coordinated. The agreement will cover but need not be limited to the following matters:

OFFICE OF MANAGEMENT AND BUDGET

a. Identification of relationships between the planning proposed by the applicant and that of the areawide agency and of similar or related activities that will require coordination;

b. The organizational and procedural arrangements for coordinating such activities, such as: Overlapping board membership, procedures for joint reviews of projected activities and policies, information exchange, etc.;

c. Cooperative arrangements for sharing planning resources (funds, personnel, facilities, and services);

d. Agreed upon base data, statistics, and projections (social, economic, demographic) on the basis of which planning in the area will proceed.

Where an applicant has been unable to effectuate such an agreement, he will submit a statement indicating the efforts he has made to secure agreement and the issues that have prevented it. In such case, the funding agency, in consultation with the Federal Regional Council and the State clearinghouse designated under Part I, will undertake, within a 30 days period after receipt of the application, resolution of the issues before approving the application, if it is otherwise in good order.

4. *Joint funding.* Where it will enhance the quality, comprehensive scope, and coordination of planning in multijurisdictional areas, Federal agencies will, to the extent practicable, provide for joint funding of planning activities being carried on therein.

5. *Coordination of agency procedures and regulations.* With respect to the steps called for in paragraphs 2 and 3 of this Part, departments and agencies will develop for relevant programs appropriate draft procedures and regulations which will be published in the FEDERAL REGISTER pursuant to paragraph 7 of this Circular. Copies of such drafts will be furnished to the Director of the Office of Management and Budget and to the heads of departments and agencies administering related programs. The Office, in consultation with the agencies, will review the draft procedures and regulations to assure the maximum obtainable consistency among them.

PART V: DEFINITIONS

Term used in this Circular will have following meanings:

1. *Federal agency*—any department, agency, or instrumentality in the executive branch of the Government and any wholly owned Government corporation.

2. *State*—any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State.

3. *Unit of general local government*—any city, county, town, parish, village, or other general purpose political subdivision of a State.

4. *Special purpose unit of local government*—any special district, public purpose corporation, or other strictly limited purpose political subdivision of a State, but shall not include a school district.

5. *Federal assistance, Federal financial assistance, Federal assistance program, or federally assisted programs*—programs that provide assistance through grant or contractual arrangements. They

include technical assistance programs, or programs providing assistance in the form of loans, loan guarantees, or insurance. The term does not include any annual payment by the United States to the District of Columbia authorized by article VI of the District of Columbia Revenue Act of 1947 (D.C. Code sec. 47-2501a and 47-2501b).

6. *Funding agency.* The Federal agency or, in the case of certain formula grant programs, the State agency which is responsible for final approval of applications for assistance.

7. *Comprehensive planning,* to the extent directly related to area needs or needs of a unit of general local government, including the following:

a. Preparation, as a guide for governmental policies and action, of general plans with respect to:

- (1) Pattern and intensity of land use,
- (2) Provision of public facilities (including transportation facilities) and other government services.
- (3) Effective development and utilization of human and natural resources.

b. Preparation of long range physical and fiscal plans for such action.

c. Programming of capital improvements and other major expenditures, based on a determination of related urgency, together with definitive financing plans for such expenditures in the earlier years of the program.

d. Coordination of all related plans and activities of the State and local governments and agencies concerned.

e. Preparation of regulatory and administrative measures in support of the foregoing.

8. *Metropolitan area*—a standard metropolitan statistical area as established by the Office of Management and Budget, subject, however, to such modifications and extensions as the Office of Management and Budget may determine to be appropriate for the purposes of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, and these Regulations.

9. *Areawide*—Comprising, in metropolitan areas, the whole of contiguous urban and urbanizing areas; and any nonmetropolitan areas, contiguous counties or other multijurisdictional areas having common or related social, economic, or physical characteristics indicating a community of developmental interests; or, in either, the area included in a substate district designated pursuant to paragraph 1d, Part IV, Attachment A of this Circular.

10. *Planning and development clearinghouse or clearinghouse* includes:

a. "*State clearinghouse*"—an agency of the State Government designated by the Governor or by State law to carry out the requirements of Part I of Attachment A of this Circular.

b. "*Areawide clearinghouse*"—(1) In nonmetropolitan areas a comprehensive planning agency designated by the Governor (or Governors in the case of regions extending into more than one State) or by State law to carry out requirements of this Circular; or

(2) In metropolitan areas an areawide agency that has been recognized by the Office of Management and Budget as an appropriate

OFFICE OF MANAGEMENT AND BUDGET

agency to perform review functions under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, Title IV of the Intergovernmental Cooperation Act of 1968, and this Circular.

11. *Multijurisdictional area*—any geographical area comprising, encompassing, or extending into more than one unit of general local government.

12. *Planning and development district or region*—a multijurisdictional area that has been formally designated or recognized as an appropriate area for planning under State law or Federal program requirements.

13. *Direct Federal development*—planning and construction of public works, physical facilities, and installations or land and real property development (including the acquisition, use, and disposal of real property) undertaken by or for the use of the Federal Government or any of its agencies; or the leasing of real property for Federal use where the use or intensity of use of such property will be substantially altered.

ATTACHMENT B—CIRCULAR NO. A-95 REVISED

Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 as amended (80 Stat. 1263, 82 Stat. 208)

“SEC. 204. (a) All applications made after June 30, 1967, for Federal loans or grants to assist in carrying out open-space land projects or for planning or construction of hospitals, airports, libraries, water supply and distribution facilities, sewage facilities and waste treatment works, highway, transportation facilities, law enforcement facilities, and water development and land conservation projects within any metropolitan area shall be submitted for review—

“(1) to any areawide agency which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of a unit of areawide government or of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning, and

“(2) if made by a special purpose unit of local government, to the unit or units of general local government with authority to operate in the area within which the project is to be located.

“(b)(1) Except as provided in paragraph (2) of this subsection, each application shall be accompanied (A) by the comments and recommendation with respect to the project involved by the areawide agency and governing bodies of the units of general local government to which the application has been submitted for review, and (B) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and the extent to which such project contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this paragraph shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the

Federal Government to which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

“(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statements referred to in paragraph b(1) of this subsection, if the applicant certifies that a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c), or such application, has lain before an appropriate area-wide agency or instrumentality or unit of general local government for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality.

“(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this title, involves a major change in the project covered by the application prior to such amendment.

“(c) The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.”

TITLE IV OF THE INTERGOVERNMENTAL COOPERATION ACT OF 1968

(82 STAT. 1103)

“Title IV—Coordinated Intergovernmental Policy and Administration of Development Assistance Programs”

“Declaration of development assistance policy”

“SEC. 401. (a) The economic and social development of the Nation and the achievement of satisfactory levels of living depend upon the sound and orderly development of all areas, both urban and rural. Moreover, in a time of rapid urbanization, the sound and orderly development of urban communities depends to a large degree upon the social and economic health and the sound development of small communities and rural areas. The President shall, therefore, establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict:

“(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

“(2) Wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

“(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

“(4) Adequate outdoor recreation and open space;

"(5) Protection of areas of unique natural beauty, historical and scientific interest;

"(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

"(7) Concern for high standards of design.

"(b) All viewpoints—national, regional, State and local—shall, to the extent possible, be fully considered and taken into account in planning Federal or federally assisted development programs and projects. State and local government objectives, together with the objectives of regional organizations shall be considered and evaluated within a framework of national public objectives, as expressed in Federal law, and available projections of future national conditions and needs of regions, States, and localities shall be considered in plan formulation, evaluation, and review.

"(c) To the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including but not limited to housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

"(d) Each Federal department and agency administering a development assistance program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

"(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban renewal, and open space) shall be coordinated with and, to the extent authorized by law, made part of comprehensive local and areawide development planning."

"Favoring units of general local government"

"Sec. 402. Where Federal law provides that both special-purpose units of local government and units of general local government are eligible to receive loans or grants-in-aid, heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid to units of general local government rather than to special-purpose units of local government."

"Rules and regulations"

"Sec. 403. The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title."

ATTACHMENT C—CIRCULAR NO. A-95 REVISED

SECTION 102(2)(C) OF THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969 (83 STAT. 853)

"Sec. 102. The Congress authorizes and directs that, to the fullest extent possible: (1) the policies, regulations, and public laws of the

United States shall be interpreted and administered in accordance with the policies set forth in this Act, and (2) all agencies of the Federal Government shall— * * *

“(C) include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

“(i) the environmental impact of the proposed action.

“(ii) any adverse environmental effects which cannot be avoided should the proposal be implemented,

“(iii) alternatives to the proposed action,

“(iv) the relationship between local short-term use of man's environment and the maintenance and enhancement of long-term productivity, and

“(v) any irreversible or irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

“Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and enforce environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of Title 5, United States Code, and shall accompany the proposal through the existing agency review processes; * * *.”

ATTACHMENT D—CIRCULAR NO. A-95 REVISED

COVERAGE OF PROGRAMS UNDER ATTACHMENT A, PART I

1. Programs listed below are referenced several ways, due to transitional phases in program development, funding status, etc. Generally, citations are to programs as they are listed in the June, 1975 *Catalog of Federal Domestic Assistance*. For certain new legislation, *Catalog* citations have not yet been developed. In such cases, references are to Public Law number and section. When no funding is available for a program, it is not generally listed in the *Catalog* or this Attachment; but if funding becomes available for a program previously covered, it continues to be covered unless specifically exempted by OMB. The *Catalog* is issued annually and revised periodically during the year. Every effort will be made to keep Appendix I and Attachment D current. Reference should always be made to the one bearing the latest issue date. (However, the update to the 1975 *Catalog* will not reflect all the changes herein. Therefore, this list should be referenced until issuance of the 1976 *Catalog*.)

Asterisks indicate certain State formula grant programs requiring State plans which are also covered under Part III. When listed under Part I, reference is to applications for subgrants under the State allocation, not to the State's application for its allocation under the formula grant which is reviewable under Part III.

2. Heads of Federal departments and agencies may, with the concurrence of the Office of Management and Budget, exclude certain

OFFICE OF MANAGEMENT AND BUDGET

categories of projects or activities under listed programs from the requirements of Attachment A, Part I. (Also see Part I, paragraph 8.)

3. Covered programs:

Department of Agriculture

- 10.405 Farm Labor Housing Loans and Grants.
- 10.409 Irrigation, Drainage, and Other Soil and Water Conservation Loans. (Exception: Loans to grazing associations to develop additional pasturage and loans for purchase of equipment.)
- 10.410 Low to Moderate Income Housing Loans.
- 10.411 Rural Housing Site Loans.
- 10.414 Resource Conservation and Development Loans.
- 10.415 Rural Rental Housing Loans.
- 10.418 Water and Waste Disposal Systems for Rural Communities.
- 10.419 Watershed Protection and Flood Prevention Loans.
- 10.420 Rural Self-Help Housing Technical Assistance.
- 10.422 Business and Industrial Development Loans. (Exception: Loans to rural small businesses having no significant impact outside community in which located.)
- 10.423 Community Facilities Loans.
- 10.424 Industrial Development Grants.
- 10.658 Cooperative Forest Insect and Disease Control.
- 10.901 Resources Conservation and Development. (Exception: Small projects costing under \$7500 for erosion and sediment control and land stabilization and for rehabilitation and consolidation of existing irrigation systems.)
- 10.904 Watershed Protection and Flood Prevention.

Department of Commerce

- 11.300 Economic Development—Grants and Loans for Public Works and Development Facilities.
- 11.302 Economic Development—Support for Planning Organizations.
- 11.303 Economic Development—Technical Assistance.
- 11.304 Economic Development—Public Works Impact Projects (Procedural variation).
- 11.305 Economic Development—State and Local Economic Development Planning.
- 11.306 Economic Development—District Operational Assistance.
- 11.307 Economic Development—Special Economic Development and Adjustment Assistance Program.
- 11.308 Grants to States for Supplemental and Basic Funding of Title I, II, and IV Activities. (Basic grants only.)
- 11.405 Anadromous and Great Lakes Fisheries Development.
- 11.407 Commercial Fisheries Research and Development.
- 11.418 Coastal Zone Management Program Development.
- 11.419 Coastal Zone Management Program Administration.
- 11.420 Coastal Zone Management—Estuarine Sanctuaries.

Department of Defense

- 12.101 Beach Erosion Control Projects.
- 12.106 Flood Control Projects.
- 12.107 Navigation Projects.
- 12.108 Snagging and Clearing for Flood Control.

Department of Health, Education, and Welfare

- 13.210* Comprehensive Public Health Services—Formula Grants.
- 13.211* Crippled Children's Services.
- 13.217* Family Planning Projects.
- 13.224 Health Services Development—Project Grants.
- 13.232* Maternal and Child Health Services.
- 13.235 Drug Abuse Community Service Programs.
- 13.237 Mental Health—Hospital Improvement Grants.
- 13.240 Mental Health—Community Mental Health Centers.
- 13.246 Migrant Health Grants.
- 13.251 Alcohol—Community Service Programs.

OFFICE OF MANAGEMENT AND BUDGET

- 13.252 Alcohol Demonstration Programs.
- 13.254 Drug Abuse Demonstration Programs.
- 13.256 Office for Health Maintenance Organization (HMOS).
- 13.258* National Health Service Corps.
- 13.259 Mental Health—Children's Services.
- 13.260 Family Planning Services—Training Grants.
- 13.261 Family Health Centers.
- 13.266 Childhood Lead-Based Paint Poisoning Control.
- 13.267 Urban Rat Control.
- 13.268 Disease Control—Project Grants.
- 13.275 Drug Abuse Education Programs.
- 13.284 Emergency Medical Services.
- 13.286 Limitation on Federal Participation for Capital Expenditures.
- 13.340 Health Professions Teaching Facilities—Construction Grants.
- 13.369 Nursing School Construction—Loan Guarantees and Interest Subsidies.
- 13.378 Health Professions Teaching Facilities—Loan Guarantees and Interest Subsidies.
- 13.392 Cancer—Construction.
- 13.400* Adult Education—Grants to States.
- 13.401 Adult Education—Special Projects.
- 13.408* Construction of Public Libraries.
- 13.421 Educational Personnel Training Grants—Career Opportunities.
- 13.427 Educationally Deprived Children—Handicapped.
- 13.428* Educationally Deprived Children—Local Educational Agencies.
- 13.429* Educationally Deprived Children—Migrants.
- 13.433 Follow Through.
- 13.464* Library Services—Grants For Public Libraries.
- 13.477 School Assistance in Federally Affected Areas—Construction.
- 13.493* Vocational Education—Basic Grants to States.
- 13.494* Vocational Education—Consumer and Homemaking.
- 13.495* Vocational Education—Cooperative Education.
- 13.499* Vocational Education—Special Needs.
- 13.501* Vocational Education—Work Study.
- 13.502* Vocational Education—Innovation.
- 13.516 Supplementary Educational Centers and Services—Special Programs and Projects.
- 13.519* Supplementary Educational Centers and Services, Guidance, Counseling, and Testing.
- 13.520 Special Programs for Children with Specific Learning Disabilities.
- 13.522 Environmental Education.
- 13.543 Educational Opportunity Centers.
- 13.570* Libraries and Learning Resources.
- 13.600 Child Development—Head Start.
- 13.612 Native American Programs.
- 13.623 Runaway Youth.
- 13.624* Rehabilitation Services and Facilities—Basic Support.
- 13.626 Rehabilitation Services and Facilities—Special Projects.
- 13.628 Child Development—Child Abuse and Neglect Prevention and Treatment.
- 13.630* Developmental Disabilities—Basic Support.
- 13.631 Developmental Disabilities—Special Projects.
- 13.633* Special Programs for the Aging—State Agency Activities and Area Planning and Social Services Programs.
- 13.634 Aging Programs Title III. Section 308, Model Projects.
- 13.635* Special Programs for the Aging—Nutrition Program for the Elderly.
- 16.636 Programs for the Aging—Research and Demonstration.
- 16.637* Programs for the Aging—Training.
- P.L. 93-318: (Section 161) Construction of Academic Facilities.
- P.L. 93-641: (Section 1516) Planning Grants to Health Systems Agencies: (Section 1601 *et seq.*, Title XVI Public Health Service Act) Assistance for modernization, construction or conversion of medical facilities. These programs will replace Catalog 13.206, 13.220, 13.249 and 13.253.

Department of Housing and Urban Development

- 14.001 Flood Insurance (Applications for community eligibility).
- 14.103 Interest Reduction Payments—Rental and Cooperative Housing for Lower Income Families.

OFFICE OF MANAGEMENT AND BUDGET

- 14.105 Interest Subsidy—Homes for Lower Income Families.
- 14.112 Mortgage Insurance—Construction of Rehabilitation or Condominium Projects.
- 14.115 Mortgage Insurance—Development of Sales-Type Cooperative Projects.
- 14.116 Mortgage Insurance—Group Practice Facilities.
- 14.117 Mortgage Insurance—Homes.
- 14.118 Mortgage Insurance—Homes for Certified Veterans.
- 14.119 Mortgage Insurance—Homes for Disaster Victims.
- 14.120 Mortgage Insurance—Homes for Low and Moderate Income Families.
- 14.121 Mortgage Insurance—Homes in Outlying Areas.
- 14.122 Mortgage Insurance—Homes in Urban Renewal Areas.
- 14.124 Mortgage Insurance—Investor Sponsored Cooperative Housing.
- 14.125 Mortgage Insurance—Land Development and New Communities.
- 14.126 Mortgage Insurance—Management-Type Cooperative Projects.
- 14.127 Mortgage Insurance—Mobile Home Parks.
- 14.128 Mortgage Insurance—Hospitals.
- 14.129 Mortgage Insurance—Nursing Homes and Related Care Facilities.
- 14.134 Mortgage Insurance—Rental Housing.
- 14.135 Mortgage Insurance—Rental Housing for Moderate Income Families.
- 14.137 Mortgage Insurance—Rental Housing for Low and Moderate Income Families, Market Interest Rate.
- 14.138 Mortgage Insurance—Rental Housing for the Elderly.
- 14.139 Mortgage Insurance—Rental Housing in Urban Renewal Areas.
- 14.141 Nonprofit Housing Sponsor Loans—Planning Projects for Low and Moderate Income Families.
- 14.146 Public Housing—Acquisition. (Turnkey and Conventional Production Methods.) (New construction only.)
- 14.149 Rent Supplements—Rental Housing for Lower Income Families.
- 14.154 Mortgage Insurance—Experimental Rental Housing.
- 14.156 Lower Income Housing Assistance Program.
- 14.203 Comprehensive Planning Assistance.
- 14.207 New Communities—Loan Guarantees.
- 14.218 Community Development Block Grants—Entitlement Grants.
- 14.219 Community Development Block Grants—Discretionary Grants.
- 14.702 State Disaster Preparedness Grants.

Department of the Interior

- 15.350 Coal Mine Health and Safety Grants.
- 15.400* Outdoor Recreation—Acquisition, Development and Planning.
- 15.501 Irrigation Distribution System Loans.
- 15.503 Small Reclamation Projects.
- 15.600 Anadromous Fish Conservation.
- 15.605 Fish Restoration.
- 15.611 Wildlife Restoration.
- 15.904 Historic Preservation.

Department of Justice

- 16.500 Law Enforcement Assistance—Comprehensive Planning Grants.
- 16.501 Law Enforcement Assistance—Discretionary Grants.
- 16.502* Law Enforcement Assistance—Improving and Strengthening Law Enforcement and Criminal Justice.
- 16.515 Criminal Justice Systems Development.
- 16.516 Law Enforcement Assistance—Juvenile Justice and Delinquency Prevention—Allocation to States.
- 16.517 Law Enforcement Assistance Administration—JJPD Special Emphasis Prevention and Treatment.

Department of Labor

- 17.211 Job Corps.
- 17.226 Work Incentives Program (WIN).
- 17.230 Farm Workers. (Procedural variation.)
- 17.232* Comprehensive Employment and Training Programs.

Department of Transportation

- 20.102 Airport Development Aid Program.
- 20.103 Airport Planning Grant Program.

OFFICE OF MANAGEMENT AND BUDGET

- 20.205 Highway Research, Planning, and Construction.
- 20.214 Highway Beautification—Control of Outdoor Advertising, Control of Junkyards, Landscaping and Scenic Enhancement.
- 20.500 Urban Mass Transportation Capital Improvement Grants. (Planning and construction only.)
- 20.501 Urban Mass Transportation Capital Improvement Loans. (Planning and construction only.)
- 20.505 Urban Mass Transportation Technical Studies Grants. (Planning and construction only.)
- 20.506 Urban Mass Transportation Demonstration Grants.
- 20.507 Urban Mass Transportation Capital and Operating Assistance Formula Grants.

Appalachian Regional Commission

- 23.003 Appalachian Development Highway System.
- 23.004 Appalachian Health Demonstration.
- 23.005 Appalachian Housing Planning Loan Fund.
- 23.008 Appalachian Local Access Roads.
- 23.010 Appalachian Mine Area Restoration.
- 23.011 Appalachian State Research, Technical Assistance, and Demonstration Projects.
- 23.012 Appalachian Vocational Education Facilities and Operations.
- 23.013 Appalachian Child Development.
- 23.014 Appalachian Housing Site Development and Office State Improvement Grants.
- 23.016 Appalachian Vocational Education and Technical Education Demonstration Grants.

(NOTE.—Except for 23.001, administration of these grants is not in the Commission but in the appropriate program agency—e.g., 23.003 is handled by DOT. For 23.002, Appalachian Supplements to Federal Grants-in-aid, which can provide all or any portion of the Federal contribution under certain defined grant-in-aid programs, coverage under Part I is determined by the provisions applicable to the basic grant-in-aid program. For 28.003, 38.003, 48.003, 52.003, and 63.003—Regional Commission Supplements to Federal Grants-in-aid—the same rule would apply.)

Coastal Plains Regional Commission

- 28.002 Coastal Plains Technical and Planning Assistance.
- (See note under Appalachian Regional Commission programs.)

Four Corners Regional Commission

- 38.002 Four Corners Technical and Planning Assistance.
- (See note under Appalachian Regional Commission programs.)

National Science Foundation

- 47.036 Intergovernmental Science.

New England Regional Commission

- 48.002 New England Technical and Planning Assistance.
- (See note under Appalachian Regional Commission programs.)

Community Services Administration

- 49.002 Community Action.
- 49.010 Older Persons Opportunities and Services.
- 49.011 Community Economic Development.

Ozarks Regional Commission

- 52.002 Ozarks Technical and Planning Assistance.
- (See note under Appalachian Regional Commission programs.)

Upper Great Lakes Regional Commission

- 63.002 Upper Great Lakes Technical and Planning Assistance.
- (See note under Appalachian Regional Commission programs.)

OFFICE OF MANAGEMENT AND BUDGET

Veterans Administration

- 64.005 Grants to States for Construction of State Nursing Home Care Facilities.
- 64.017 Grants to States for Remodeling of State Home Hospital/Domiciliary Facilities.
- 64.020 Assistance in the Establishment of New State Medical Schools.
- 64.021 Grants to Affiliated Medical Schools—Assistance to Health Manpower Training Institutes.
- 64.114 Veterans Housing—Guaranteed and Insured Loans (GI Home Loans).

Water Resources Council

- 65.001 Water Resources Planning.

Environmental Protection Agency

- 66.001 Air Pollution Control Program Grants.
- 66.005 Air Pollution Survey and Demonstration Grants.
- 66.027 Solid Waste Planning Grants.
- 66.028 Solid Waste Demonstration Grants.
- 66.418 Construction Grants for Wastewater Treatment Works.
- 66.419 Water Pollution Control—State and Interstate Program Grants.
- 66.426 Water Pollution Control—Areawide Waste Treatment Management Planning Grants.
- 66.432 Grants for State Public Water System Subdivision Programs.
- 66.433 Grants for Underground Injection Control Programs.
- 66.505 Water Pollution Control Demonstration Grants.
- 66.506 Safe Drinking Water Research and Demonstration Grants. (Demonstration only).
- 66.600 Environmental Protection—Consolidated Program Grants.
- 66.602 Environmental Protection—Consolidated Special Purpose Grants.

Action

- 72.001 Foster Grandparents.
- 72.002 Retired Senior Volunteer Program.
- 72.008 The Senior Companion Program.

Old Western Regional Commission

- 75.002 Old West Technical and Planning Assistance.

Pacific Northwest Regional Commission

- 76.002 Pacific Northwest Technical and Planning Assistance Regulations.

IMPROVING GOVERNMENT REGULATIONS

Executive Order 12044¹

[43 Fed. Reg. 12661]

As President of the United States of America, I direct each Executive Agency to adopt procedures to improve existing and future regulations.

SECTION 1. *Policy.* Regulations shall be as simple and clear as possible. They shall achieve legislative goals effectively and efficiently. They shall not impose unnecessary burdens on the economy, on individuals, on public or private organizations, or on State and local governments.

To achieve these objectives, regulations shall be developed through a process which ensures that:

(a) the need for and purposes of the regulation are clearly established;

(b) heads of agencies and policy officials exercise effective oversight;

(c) opportunity exists for early participation and comment by other Federal agencies, State and local governments, businesses, organizations and individual members of the public;

(d) meaningful alternatives are considered and analyzed before the regulation is issued; and

(e) compliance costs, paperwork and other burdens on the public are minimized.

SEC. 2. *Reform of the Process for Developing Significant Regulations.* Agencies shall review and revise their procedures for developing regulations to be consistent with the policies of this Order and in a manner that minimizes paperwork.

Agencies' procedures should fit their own needs but, at a minimum, these procedures shall include the following:

(a) *Semiannual Agenda of Regulations.* To give the public adequate notice, agencies shall publish at least semiannually an agenda of significant regulations under development or review. On the first Monday in October, each agency shall publish in the Federal Register a schedule showing the times during the coming fiscal year when the agency's semiannual agenda will be published. Supplements to the agenda may be published at other times during the year if necessary, but the semiannual agendas shall be as complete as possible. The head of each agency shall approve the agenda before it is published.

At a minimum, each published agenda shall describe the regulations being considered by the agency, the need for and the legal basis for the action being taken, and the status of regulations previously listed on the agenda.

Each item on the agenda shall also include the name and telephone number of a knowledgeable agency official and, if possible,

¹ Supersedes and rescinds OMB Circulars No. A-85 (Consultation With the Heads of State and Local Government in Development of Federal Regulations) and No. A-107 (Evaluation of the Inflationary Impact of Major Proposals for Legislation and for the Promulgation of Regulations or Rules).

state whether or not a regulatory analysis will be required. The agenda shall also include existing regulations scheduled to be reviewed in accordance with Section 4 of this Order.

(b) *Agency Head Oversight.* Before an agency proceeds to develop significant new regulations, the agency head shall have reviewed the issues to be considered, the alternative approaches to be explored, a tentative plan for obtaining public comment, and target dates for completion of steps in the development of the regulation.

(c) *Opportunity for Public Participation.* Agencies shall give the public an early and meaningful opportunity to participate in the development of agency regulations. They shall consider a variety of ways to provide this opportunity, including (1) publishing an advance notice of proposed rulemaking; (2) holding open conferences or public hearings; (3) sending notices of proposed regulations to publications likely to be read by those affected; and (4) notifying interested parties directly.

Agencies shall give the public at least 60 days to comment on proposed significant regulations. In the few instances where agencies determine this is not possible, the regulation shall be accompanied by a brief statement of the reasons for a shorter time period.

(d) *Approval of Significant Regulations.* The head of each agency, or the designated official with statutory responsibility, shall approve significant regulations before they are published for public comment in the FEDERAL REGISTER. At a minimum, this official should determine that:

- (1) the proposed regulation is needed;
- (2) the direct and indirect effects of the regulation have been adequately considered;
- (3) alternative approaches have been considered and the least burdensome of the acceptable alternatives has been chosen;
- (4) public comments have been considered and an adequate response has been prepared;
- (5) the regulation is written in plain English and is understandable to those who must comply with it;
- (6) an estimate has been made of the new reporting burdens or recordkeeping requirements necessary for compliance with the regulation;
- (7) the name, address and telephone number of a knowledgeable agency official is included in the publication; and
- (8) a plan for evaluating the regulation after its issuance has been developed.

(e) *Criteria for Determining Significant Regulations.* Agencies shall establish criteria for identifying which regulations are significant. Agencies shall consider among other things: (1) the type and number of individuals, businesses, organizations, State and local governments affected; (2) the compliance and reporting requirements likely to be involved; (3) direct and indirect effects of the regulation including the effect on competition; and (4) the relationship of the regulations to those of other programs and agencies. Regulations that do not meet an agency's criteria for determining significance shall be accompanied by a statement to that effect at the time the regulation is proposed.

SEC. 3. *Regulatory Analysis.* Some of the regulations identified as significant may have major economic consequences for the general economy, for individual industries, geographical regions or levels of government. For these regulations, agencies shall prepare a regulatory analysis. Such an analysis shall involve a careful examination of alternative approaches early in the decision-making process.

The following requirements shall govern the preparation of regulatory analyses:

(a) *Criteria.* Agency heads shall establish criteria for determining which regulations require regulatory analyses. The criteria established shall:

(1) ensure that regulatory analyses are performed for all regulations which will result in (a) an annual effect on the economy of \$100 million or more; or (b) a major increase in costs or prices for individual industries, levels of government or geographic regions; and

(2) provide that in the agency head's discretion, regulatory analysis may be completed on any proposed regulation.

(b) *Procedures.* Agency heads shall establish procedures for developing the regulatory analysis and obtaining public comment.

(1) Each regulatory analysis shall contain a succinct statement of the problem; a description of the major alternative ways of dealing with the problem that were considered by the agency; an analysis of the economic consequences of each of these alternatives and a detailed explanation of the reasons for choosing one alternative over the others.

(2) Agencies shall include in their public notice of proposed rules an explanation of the regulatory approach that has been selected or is favored and a short description of the other alternatives considered. A statement of how the public may obtain a copy of the draft regulatory analysis shall also be included.

(3) Agencies shall prepare a final regulatory analysis to be made available when the final regulations are published.

Regulatory analyses shall not be required in rulemaking proceedings pending at the time this Order is issued if an Economic Impact Statement has already been prepared in accordance with Executive Orders 11821 and 11949.

SEC. 4. *Review of Existing Regulations.* Agencies shall periodically review their existing regulations to determine whether they are achieving the policy goals of this Order. This review will follow the same procedural steps outlined for the development of new regulations.

In selecting regulations to be reviewed, agencies shall consider such criteria as:

(a) the continued need for the regulation;

(b) the type and number of complaints or suggestions received;

(c) the burdens imposed on those directly or indirectly affected by the regulations;

(d) the need to simplify or clarify language;

(e) the need to eliminate overlapping and duplicative regulations;

and

(f) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions or other factors have changed in the area affected by the regulation.

Agencies shall develop their selection criteria and a listing of possible regulations for initial review. The criteria and listing shall be published for comment as required in Section 5. Subsequently, regulations selected for review shall be included in the semiannual agency agendas.

SEC. 5. *Implementation.*

(a) Each agency shall review its existing process for developing regulations and revise it as needed to comply with this Order. Within 60 days after the issuance of the Order, each agency shall prepare a draft report outlining (1) a brief description of its process for developing regulations and the changes that have been made to comply with this Order; (2) its proposed criteria for defining significant agency regulations; (3) its proposed criteria for identifying which regulations require regulatory analysis; and (4) its proposed criteria for selecting existing regulations to be reviewed and a list of regulations that the agency will consider for its initial review. This report shall be published in the **FEDERAL REGISTER** for public comment. A copy of this report shall be sent to the Office of Management and Budget.

(b) After receiving public comment, agencies shall submit their revised report to the Office of Management and Budget for approval before final publication in the **FEDERAL REGISTER**.

(c) The Office of Management and Budget shall assure the effective implementation of this Order. OMB shall report at least semiannually to the President on the effectiveness of the Order and agency compliance with its provisions. By May 1, 1980, OMB shall recommend to the President whether or not there is a continued need for the Order and any further steps or actions necessary to achieve its purposes.

SEC. 6. *Coverage.*

(a) As used in this Order, the term regulation means both rules and regulations issued by agencies including those which establish conditions for financial assistance. Closely related sets of regulations shall be considered together.

(b) This Order does not apply to:

(1) regulations issued in accordance with the formal rulemaking provisions of the Administrative Procedure Act (5 U.S.C. 556, 557);

(2) regulations issued with respect to a military or foreign affairs function of the United States;

(3) matters related to agency management or personnel;

(4) regulations related to Federal Government procurement;

(5) regulations issued by the independent regulatory agencies; or

(6) regulations that are issued in response to an emergency or which are governed by short-term statutory or judicial deadlines. In these cases, the agency shall publish in the **FEDERAL REGISTER** a statement of the reasons why it is impracticable or contrary to the public interest for the agency to follow the procedures of this Order. Such a statement shall include the name of the policy official responsible for this determination.

SEC. 7. This Order is intended to improve the quality of Executive Agency regulatory practices. It is not intended to create delay in the process or provide new grounds for judicial review. Nothing in this

Order shall be considered to supersede existing statutory obligations governing rulemaking.

SEC. 8. Unless extended, this Executive Order expires on June 30, 1980.

JIMMY CARTER.

THE WHITE HOUSE, *March 23, 1978.*

[Circular No. A-97]

AUGUST 29, 1969.

To the heads of executive departments and establishments

Subject: Rules and regulations permitting Federal agencies to provide specialized or technical services to State and local units of government under Title III of the Intergovernmental Cooperation Act of 1968

1. *Purpose.*—This Circular promulgates the rules and regulations which the Director of the Bureau of the Budget is authorized to issue pursuant to section 302 of the Intergovernmental Cooperation Act of 1968 (P.L. 90-577; 82 Stat. 1102). It also provides for the coordination of the action of Federal departments and agencies (hereinafter referred to as "Federal agencies") in exercising the authority contained in Title III of said Act as directed by the President's Memorandum of November 8, 1968 (33 F.R. 16487).

2. *Background.*—a. Title III of the Intergovernmental Cooperation Act of 1968 is intended to:

(1) Encourage intergovernmental cooperation in the conduct of specialized or technical services and provisions of facilities essential to the administration of State or local governmental activities.

(2) Enable State and local governments to avoid unnecessary duplication of special service functions.

(3) Authorize Federal agencies which do not have such authority to provide reimbursable specialized and technical services to State and local governments.

b. Title III of the Act authorizes the head of any Federal agency, within his discretion and upon written request from a State or political subdivision thereof, to provide specialized or technical services, upon payment to the Federal agency by the unit of government making the request, of salaries and all other identifiable direct or indirect costs of performing such services.

c. Title III of the Act requires that:

(1) Any services provided pursuant to Title III shall include only those which the Director of the Bureau of the Budget through rules and regulations determines Federal agencies have special competence to provide.

(2) The Director's rules and regulations shall be consistent with, and in furtherance of, the Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels.

(3) All moneys received by any Federal agency in payment of furnishing specialized or technical services under Title III of the Act shall be deposited to the credit of the principal appropriation from which the cost of providing such services has been paid or is to be charged.

(4) The head of any Federal agency shall furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under Title III.

3. *Reservation of existing authority.*—The authority contained in Title III of the Act and this Circular is in addition to, and does not supersede, any existing authority now possessed by any Federal agency with respect to furnishing services, whether on a reimbursable or nonreimbursable basis, to State or local units of government. The reporting and other requirements and conditions contained in this Circular shall not apply to services furnished under such existing authorities.

4. *Definitions.*—For purposes of this Circular:

a. The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of a State.

b. The terms "political subdivision" or "local government" mean a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law, or combinations thereof.

c. "Specialized or technical services" means statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which any Federal agency is especially equipped and authorized by law to perform.

5. *Policy.*—Federal agencies will cooperate to the maximum extent possible with State and local units of government to provide such specialized or technical services as may be authorized. Such services shall generally supplement, not supplant existing services, and Federal agencies should not provide services with full reimbursement under this Circular which have heretofore been furnished for less than full reimbursement under other authorities, unless specifically requested to do so.

6. *Types of services that may be provided.*—a. It is hereby determined that Federal agencies have the special competence to provide, and may provide the following specialized or technical services, and facilities related thereto, pursuant to Title III of the Intergovernmental Cooperation Act of 1968:

(1) Any existing statistical or other studies and compilations, results of technical tests and evaluations, technical information, surveys, reports, and documents, and any such materials which may be developed or prepared in the future to meet the needs of the Federal Government or to carry out the normal program responsibilities of the Federal agencies involved.

(2) Preparation of statistical or other studies and compilations, technical tests and evaluations, technical information, surveys, reports, and documents, and assistance in the conduct of such activities and in the preparation of such materials, provided they are of a type similar to those which the Federal agency is authorized by law to conduct or prepare.

(3) Training of the type which the Federal agency is authorized by law to conduct for Federal personnel and others or which is similar to such training.

(4) Technical aid in the preparation of proposals for development and other projects for which the Federal agency provides grants-in-aid or other assistance, provided such aid primarily strengthens the ability of the recipient in developing its own capacity to prepare proposals.

(5) Technical information, data processing, communications and personnel management systems services, and technical advice on improving logistical and management services which the Federal agency normally provides for itself or others under existing authorities.

b. Any of the above specialized or technical services provided to the States and their political subdivisions under existing authorities may also be provided under Title III of the Act and the terms of this Circular.

c. If a Federal agency receives a request for specialized or technical services which are not covered in subparagraph *a* above and which it believes is consistent with the Act and which it has a special competence to provide, it should forward such request to the Bureau of the Budget for action. Similarly, if there is doubt as to whether the service requested is covered by subparagraph *a*, the request should be forwarded to the Bureau of the Budget for action.

7. *Conditions under which services may be provided.*—The specialized or technical service provided under Title III of the Act and this Circular may be provided, in the discretion of the heads of Federal agencies, only under the following conditions:

a. Such services will be provided only to the States, political subdivisions thereof, and combinations or associations of such governments or their agencies and instrumentalities.

b. Such services will be provided only upon the written request of a State or political subdivision thereof. Requests will normally be made by the chief executives of such entities and will be addressed to the head of the agency involved.

c. Such services will not be provided unless the agency providing the services is providing similar services for its own use under the policies set forth in Bureau of the Budget Circular No. A-76, "Policies for acquiring commercial or industrial products and services for Government use" (Revised August 30, 1967). In addition, in accordance with the policies set forth in Circular No. A-76, the requesting entity must certify that such services cannot be produced reasonably and expeditiously by it through ordinary business channels.

d. Such services will not be provided if they require any additions of staff or involve outlays for additional equipment or other facilities solely for the purpose of providing such services, except where the costs thereof are charged to the user of such services. Further, no staff additions may be made which impede the implementation of or adherence to the employment ceilings contained in Bureau of the Budget allowance letters.

e. Such services will be provided only upon payment or provision for reimbursement to the Federal agency involved, by the unit of

government making the request, of salaries and all other identifiable direct and indirect costs of performing such services. For cost determination purposes, Federal agencies will be guided by the policies set forth in Bureau of the Budget Circular No. A-25, "User Charges" (September 23, 1959).

f. Any payments or reimbursements received by Federal agencies for the costs of such services will be deposited to the credit of the principal appropriation or other account from which the costs of providing the services have been paid or are to be charged.

g. In the event a request for a service is denied, the Federal agency shall furnish the entity making the request with a statement indicating the reasons for the denial.

8. *Reports to Congress.*—The head of each Federal agency will furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under Title III of the Act and this Circular. Such reports will be prepared as of the end of each calendar year and will indicate the nature of the services rendered, the names of the States and political subdivisions involved, where practical, and the cost of the work. Services provided under other authorities are not to be included in the reports. Copies of the reports will be submitted to the Bureau of the Budget not later than March 30 of each year.

9. *Effective date.*—This Circular is effective immediately. It supersedes the "Interim Regulation under Title III of the Intergovernmental Cooperation Act of 1968 (P.L. 90-577)," dated December 19, 1968, concerning training by the U.S. Civil Service Commission.

10. *Inquiries.*—Inquiries regarding this Circular may be addressed to the Office of Executive Management, Bureau of the Budget, Washington, D.C. 20503, or telephone (202) 395-4934 (Government dial code 103-4934).

ROBERT P. MAYO, *Director.*

COASTAL ZONE MANAGEMENT

COASTAL ZONE MANAGEMENT ACT OF 1972

[Public Law 92-583, 86 Stat. 1280]

AN ACT to establish a national policy and develop a national program for the management, beneficial use, protection, and development of the land and water resources of the Nation's coastal zones, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Resources and Engineering Development, and a Commission on Marine Science, Engineering and Resources, and for other purposes", approved June 17, 1966 (80 Stat. 203), as amended (33 U.S.C. 1101-1124), is further amended by adding at the end thereof the following new title:

TITLE III—MANAGEMENT OF THE COASTAL ZONE

SHORT TITLE

SEC. 301. This title may be cited as the "Coastal Zone Management Act of 1972".

CONGRESSIONAL FINDINGS

SEC. 302. The Congress finds that—

(a) There is a national interest in the effective management, beneficial use, protection, and development of the coastal zone.¹

(b) The coastal zone is rich in a variety of natural, commercial, recreational, ecological,¹ industrial, and esthetic resources of immediate and potential value to the present and future well-being of the Nation.

(c) The increasing and competing demands upon the lands and waters of our coastal zone occasioned by population growth and economic development, including requirements for industry, commerce, residential development, recreation, extraction of mineral resources and fossil fuels, transportation and navigation, waste disposal, and harvesting of fish, shellfish, and other living marine resources, have resulted in the loss of living marine resources, wildlife, nutrient-rich areas, permanent and adverse changes to ecological systems, decreasing open space for public use, and shoreline erosion.

(d) The coastal zone, and the fish, shellfish, other living marine resources, and wildlife therein, are ecologically fragile and consequently extremely vulnerable to destruction by man's alterations.

¹ Sec. 2(1) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted the word "ecological" immediately after "recreational". Sec. 2(2)(A) of such Act deleted the "semicolon" at the end of subsections (a), (b), (c), (d), (e), and (f); section 2(2)(B) of such Act deleted "; and" at the end of subsection (g) and inserted a "period" at the end of each subsection.

(e) Important ecological, cultural, historic, and esthetic values in the coastal zone which are essential to the well-being of all citizens are being irretrievably damaged or lost.

(f) Special natural and scenic characteristics are being damaged by ill-planned development that threatens these values.

(g) In light of competing demands and the urgent need to protect and to give high priority to natural systems in the coastal zone, present state and local institutional arrangements for planning and regulating land and water uses in such areas are inadequate.

(h) The key to more effective protection and use of the land and water resources of the coastal zone is to encourage the states to exercise their full authority over the lands and waters in the coastal zone by assisting the states, in cooperation with Federal and local governments and other vitally affected interests, in developing land and water use programs for the coastal zone, including unified policies, criteria, standards, methods, and processes for dealing with land and water use decisions of more than local significance.

(i)¹ The national objective of attaining a greater degree of energy self-sufficiency would be advanced by providing Federal financial assistance to meet state and local needs resulting from new or expanded energy activity in or affecting the coastal zone.

DECLARATION OF POLICY

SEC. 303. The Congress finds and declares that it is the national policy (a) to preserve, protect, develop, and where possible, to restore or enhance, the resources of the Nation's coastal zone for this and succeeding generations, (b) to encourage and assist the states to exercise effectively their responsibilities in the coastal zone through the development and implementation of management programs to achieve wise use of the land and water resources of the coastal zone giving full consideration to ecological, cultural, historic, and esthetic values as well as to needs for economic development, (c) for all Federal agencies engaged in programs affecting the coastal zone to cooperate and participate with state and local governments and regional agencies in effectuating the purposes of this title, and (d) to encourage the participation of the public, of Federal, state, and local governments and of regional agencies in the development of coastal zone management programs. With respect to implementation of such management programs, it is the national policy to encourage cooperation among the various state and regional agencies including establishment of interstate and regional agreements, cooperative procedures, and joint action particularly regarding environmental problems.

DEFINITIONS

SEC. 304. For the purposes of this title—

(1)² The term "coastal zone" means the coastal waters (including

¹ Sec. 2(3) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new subsection "(1)" following subsection (h).

² Sec. 3(1) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, redesignated paragraph (a) as paragraph (1); sec. 3(1)(A) of such Act deleted "Coastal" and inserted in lieu thereof "The term 'coastal';"; sec. 3(1)(B) of such Act added the word "islands" immediately after "and includes".

the lands therein and thereunder) and the adjacent shorelands (including the waters therein and thereunder), strongly influenced by each other and in proximity to the shorelines of the several coastal states, and includes islands,¹ transitional and intertidal areas, salt marshes, wetlands, and beaches. The zone extends, in Great Lakes waters, to the international boundary between the United States and Canada and, in other areas, seaward to the outer limit of the United States territorial sea. The zone extends inland from the shorelines only to the extent necessary to control shorelands, the uses of which have a direct and significant impact on the coastal waters. Excluded from the coastal zone are lands the use of which is by law subject solely to the discretion of or which is held in trust by the Federal Government, its officers or agents.

(2)² The term "coastal waters" means (A)² in the Great Lakes area, the waters within the territorial jurisdiction of the United States consisting of the Great Lakes, their connecting waters, harbors, roadsteads, and estuary-type areas such as bays, shallows, and marshes and (B) in other areas, those waters, adjacent to the shorelines, which contain a measurable quantity or percentage of sea water, including, but not limited to, sounds, bays, lagoons, bayous, ponds, and estuaries.

(3) The term "coastal³ state" means a state of the United States in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes. For the purposes of this title, the term also includes Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(4)⁴ The term "coastal energy activity" means any of the following activities if, and to the extent that (A) the conduct, support, or facilitation of such activity requires and involves the siting, construction, expansion, or operation of any equipment or facility; and (B) any technical requirement exists which, in the determination of the Secretary, necessitates that the siting, construction, expansion, or operation of such equipment or facility be carried out in, or in close proximity to, the coastal zone of any coastal state;

(i) Any outer Continental Shelf energy activity.

(ii) Any transportation, conversion, treatment, transfer, or storage of liquefied natural gas.

(iii) Any transportation, transfer, or storage of oil, natural gas, or coal (including, but not limited to, by means of any deep-water port, as defined in section 3(10) of the Deepwater Port Act of 1974 (33 U.S.C. 1502(10))).

For purposes of this paragraph, the siting, construction, expansion, or operation of any equipment or facility shall be "in close proximity to" the coastal zone of any coastal state if such siting, construction, expansion, or operation has, or is likely to have, a significant effect on such coastal zone.

¹ Sec. 3(1)(A) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted "Coastal" and inserted in lieu thereof "the term 'coastal'"; Sec. 3(1)(B) of such Act added the word "Islands" immediately after "and includes".

² Sec. 3(2) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, redesignated paragraph (b) as paragraph (2); sec. 3(2)(A) of such Act deleted "Coastal" and inserted in lieu thereof "The term 'coastal'"; sec. 3(2)(B) of such Act redesignated (1) and (2) as (A) and (B).

³ Sec. 3(3) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted "(c) 'coastal'" and inserted in lieu thereof: "(3) The term 'coastal'".

⁴ Sec. 3(4) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted new paragraphs "(4)" and "(5)".

(5)¹ The term "energy facilities" means any equipment or facility which is or will be used primarily—

(A) in the exploration for, or the development, production, conversion, storage, transfer, processing, or transportation of, any energy resource; or

(B) for the manufacture, production, or assembly of equipment, machinery, products, or devices which are involved in any activity described in subparagraph (A).

The term includes, but is not limited to (i) electric generating plants; (ii) petroleum refineries and associated facilities; (iii) gasification plants; (iv) facilities used for the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (v) uranium enrichment or nuclear fuel processing facilities; (vi) oil and gas facilities, including platforms, assembly plants, storage depots, tank farms, crew and supply bases, and refining complexes; (vii) facilities including deepwater ports, for the transfer of petroleum; (viii) pipelines and transmission facilities; and (ix) terminals which are associated with any of the foregoing.

(6)² The term "Estuary" means that part of a river or stream or other body of water having unimpaired connection with the open sea, where the sea water is measurably diluted with fresh water derived from land drainage. The term includes estuary-type areas of the Great Lakes.

(7)³ The term "estuarine sanctuary" means a research area which may include any part or all of an estuary and any island, transitional area, and upland in, adjoining, or adjacent to such estuary, and which constitutes to the extent feasible a natural unit, set aside to provide scientists and students the opportunity to examine over a period of time the ecological relationships within the area.

(8)⁴ The term "Fund" means the Coastal Energy Impact Fund established by section 308(h).

(9)⁴ The term "land use" means activities which are conducted in, or on the shorelands within, the coastal zone, subject to the requirements outlined in section 307(g).

(10)⁴ The term "local government" means any political subdivision of, or any special entity created by, any coastal state which (in whole or part) is located in, or has authority over, such state's coastal zone and which (A) has authority to levy taxes, or to establish and collect user fees, or (B) provides any public facility or public service which is financed in whole or part by taxes or user fees. The term includes, but is not limited to, any school district, fire district, transportation authority, and any other special purpose district or authority.

¹Sec. 3(4) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted new paragraphs "(4)" and "(5)".

²Sec. 3(5) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted "(d) 'Estuary'" and inserted in lieu thereof "(6) The term 'estuary'".

³Sec. 3(6) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, redesignated paragraph (e) as paragraph (7); sec. 3(6)(A) of such Act deleted "Estuarine" and inserted in lieu thereof "The term 'estuarine'"; sec. 3(6)(B) of such Act deleted the words "estuary, adjoining transitional areas, and adjacent uplands, constituting" and inserted in lieu thereof "estuary and any island, transitional area, and upland in, adjoining, or adjacent to such estuary, and which constitutes".

⁴Sec. 3(7) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted paragraph (f) which previously read as follows: "(f) 'Secretary' means the Secretary of Commerce". This section also added new paragraphs "(8)", "(9)" and "(10)".

(11)¹ The term "management program" includes, but is not limited to, a comprehensive statement in words, maps, illustrations, or other media of communication, prepared and adopted by the state in accordance with the provisions of this title, setting forth objectives, policies, and standards to guide public and private uses of lands and waters in the coastal zone.

(12)² The term "outer Continental Shelf energy activity" means any exploration for, or any development or production of, oil or natural gas from the outer Continental Shelf (as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), or the siting, construction, expansion, or operation of any new or expanded energy facilities directly required by such exploration, development, or production.

(13)² The term "person" means any individual; any corporation, partnership, association, or other entity organized or existing under the laws of any state; the Federal Government; any state, regional, or local government; or any entity of any such Federal, state, regional, or local government.

(14)² The term "public facilities and public services" means facilities or services which are financed, in whole or in part, by any state or political subdivision thereof, including, but not limited to, highways and secondary roads, parking, mass transit, docks, navigation aids, fire and police protection, water supply, waste collection and treatment (including drainage), schools and education, and hospitals and health care. Such term may also include any other facility or service so financed which the Secretary finds will support increased population.

(15)² The term "Secretary" means the Secretary of Commerce.

(16)³ The term "water use" means activities which are conducted in or on the water; but does not mean or include the establishment of any water quality standard or criteria or the regulation of the discharge or runoff of water pollutants except the standards, criteria, or regulations which are incorporated in any program as required by the provisions of section 307(f).

* * * * *

MANAGEMENT PROGRAM DEVELOPMENT GRANTS

SEC. 305.⁴ (a) The Secretary may make grants to any coastal state—

(1) under subsection (c) for the purpose of assisting such state—in the development of a management program for the land and water resources of its coastal zone; and

(2) under subsection (d) for the purpose of assisting such state in the completion of the development, and the initial implementation, of its management program before such state qualifies for administrative grants under section 306.

¹ Sec. 3(8) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted "(g) 'Management'" and inserted in lieu thereof "(11) The term 'management'".

² Sec. 3(9) of the Coastal Zone Management Act Amendment of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, added new paragraphs "(12)", "(13)", "(14)" and "(15)".

³ Sec. 3(10) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted "(h) 'Water'" and inserted in lieu thereof "(16) The term 'water'".

⁴ Sec. 4 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new section 305 to read as set forth in the text.

(b) The management program for each coastal state shall include each of the following requirements:

(1) An identification of the boundaries of the coastal zone subject to the management program.

(2) A definition of what shall constitute permissible land uses and water uses within the coastal zone which have a direct and significant impact on the coastal waters.

(3) An inventory and designation of areas of particular concern within the coastal zone.

(4) An identification of the means by which the state proposes to exert control over the land uses and water uses referred to in paragraph (2), including a listing of relevant constitutional provisions, laws, regulations, and judicial decisions.

(5) Broad guidelines on priorities of uses in particular areas, including specifically those uses of lowest priority.

(6) A description of the organizational structure proposed to implement such management program, including the responsibilities and interrelationships of local, areawide, state, regional, and interstate agencies in the management process.

(7) A definition of the term 'beach' and a planning process for the protection of, and access to, public beaches and other public coastal areas of environmental, recreational, historical, esthetic, ecological, or cultural value.

(8) A planning process for energy facilities likely to be located in, or which may significantly affect, the coastal zone, including, but not limited to, a process for anticipating and managing the impacts from such facilities.

(9) A planning process for (A) assessing the effects of shoreline erosion (however caused), and (B) studying and evaluating ways to control, or lessen the impact of, such erosion, and to restore areas adversely affected by such erosion.

No management program is required to meet the requirements in paragraphs (7), (8), and (9) before October 1, 1978.

(c) The Secretary may make a grant annually to any coastal state for the purposes described in subsection (a)(1) if such state reasonably demonstrates to the satisfaction of the Secretary that such grant will be used to develop a management program consistent with the requirements set forth in section 306. The amount of any such grant shall not exceed 80 per centum of such state's costs for such purposes in any one year. No coastal state is eligible to receive more than four grants pursuant to this subsection. After the initial grant is made to any coastal state pursuant to this subsection, no subsequent grant shall be made to such state pursuant to this subsection unless the Secretary finds that such state is satisfactorily developing its management program.

(d)(1) The Secretary may make a grant annually to any coastal state for the purposes described in subsection (a)(2) if the Secretary finds that such state meets the eligibility requirements set forth in paragraph (2). The amount of any such grant shall not exceed 80 per centum of the costs for such purposes in any one year.

(2) A coastal state is eligible to receive grants under this subsection if it has—

(A) developed a management program which—

(i) is in compliance with the rules and regulations promulgated to carry out subsection (b), but

(ii) has not yet been approved by the Secretary under section 306;

(B) specifically identified, after consultation with the Secretary, any deficiency in such program which makes it ineligible for approval by the Secretary pursuant to section 306, and has established a reasonable time schedule during which it can remedy any such deficiency;

(C) specified the purposes for which any such grant will be used;

(D) taken or is taking adequate steps to meet any requirement under section 306 or 307 which involves any Federal official or agency; and

(E) complied with any other requirement which the Secretary, by rules and regulations, prescribes as being necessary and appropriate to carry out the purposes of this subsection.

(3) No management program for which grants are made under this subsection shall be considered an approved program for purposes of section 307.

(e) Grants under this section shall be made to, and allocated among, the coastal states pursuant to rules and regulations promulgated by the Secretary; except that—

(1) no grant shall be made under this section in an amount which is more than 10 per centum of the total amount appropriated to carry out the purposes of this section, but the Secretary may waive this limitation in the case of any coastal state which is eligible for grants under subsection (d); and

(2) no grant shall be made under this section in an amount which is less than 1 per centum of the total amount appropriated to carry out the purposes of this section, but the Secretary shall waive this limitation in the case of any coastal state which requests such a waiver.

(f) The amount of any grant (or portion thereof) made under this section which is not obligated by the coastal state concerned during the fiscal year for which it was first authorized to be obligated by such state, or during the fiscal year immediately following, shall revert to the Secretary who shall add such amount to the funds available for grants under this section.

(g) With the approval of the Secretary, any coastal state may allocate to any local government, to any areawide agency designated under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, to any regional agency, or to any interstate agency, a portion of any grant received by it under this section for the purpose of carrying out the provisions of this section.

(h) Any coastal state which has completed the development of its management program shall submit such program to the Secretary for review and approval pursuant to section 306. Whenever the Secretary approves the management program of any coastal state under section 306, such state thereafter—

(1) shall not be eligible for grants under this section; except that such state may receive grants under subsection (c) in order

to comply with the requirements of paragraphs (7), (8), and (9) of subsection (b); and

(2) shall be eligible for grants under section 306.

(i) The authority to make grants under this section shall expire on September 30, 1979.

ADMINISTRATIVE GRANTS

SEC. 306. (a)¹ The Secretary may make a grant annually to any coastal state for not more than 80 per centum of the costs of administering such state's management program if the Secretary (1) finds that such program meets the requirements of section 305(b), and (2) approves such program in accordance with subsections (c), (d), and (e).

(b) Such grants shall be allocated to the states with approved programs based on rules and regulations promulgated by the Secretary which shall take into account the extent and nature of the shoreline and area covered by the plan, population of the area, and other relevant factors: *Provided*, That no annual grant made under this section shall be in excess of \$2,000,000 for fiscal year 1975, in excess of \$2,500,000 for fiscal year 1976, nor in excess of \$3,000,000 for fiscal year 1977: *Provided further*, That no annual grant made under this section shall be less than 1 per centum of the total amount appropriated to carry out the purposes of this section: *And provided further*, That the Secretary shall waive the application of the 1 per centum minimum requirement as to any grant under this section, when the coastal State involved requests such a waiver.²

(c) Prior to granting approval of a management program submitted by a coastal state, the Secretary shall find that:

(1) The state has developed and adopted a management program for its coastal zone in accordance with rules and regulations promulgated by the Secretary, after notice, and with the opportunity of full participation by relevant Federal agencies, state agencies, local governments, regional organizations, port authorities, and other interested parties, public and private, which is adequate to carry out the purposes of this title and is consistent with the policy declared in section 303 of this title.

(2) The state has:

(A) coordinated its program with local, areawide, and interstate plans applicable to areas within the coastal zone existing on January 1 of the year in which the state's management program is submitted to the Secretary, which plans have been developed by a local government, an areawide agency designated pursuant to regulations established under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, a regional agency, or an interstate agency; and

(B) established an effective mechanism for continuing consultation and coordination between the management agency designated pursuant to paragraph (5) of this subsection and with local governments, interstate agencies, regional agencies, and areawide

¹ Sec. 5 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 306(a) to read as set forth in the text.

² Sec. (2) of Public Law 93-612, 88 Stat. 1974, approved Jan. 2, 1975, amended subsection (b) of section 306 by deleting all after "relevant factors" and adding new provisos.

agencies within the coastal zone to assure the full participation of such local governments and agencies in carrying out the purposes of this title; except¹ that the Secretary shall not find any mechanism to be effective for purposes of this subparagraph unless it includes each of the following requirements:

(i) Such management agency is required, before implementing any management program decision which would conflict with any local zoning ordinance, decision, or other action, to send a notice of such management program decision to any local government whose zoning authority is affected thereby.

(ii) Any such notice shall provide that such local government may, within the 30-day period commencing on the date of receipt of such notice, submit to the management agency written comments on such management program decision, and any recommendation for alternatives thereto, if no action is taken during such period which would conflict or interfere with such management program decision, unless such local government waives its right to comment.

(iii) Such management agency, if any such comments are submitted to it, with such 30-day period, by any local government—

(I) is required to consider any such comments,

(II) is authorized, in its discretion, to hold a public hearing on such comments, and

(III) may not take any action within such 30-day period to implement the management program decision, whether or not modified on the basis of such comments.

(3) The state has held public hearings in the development of the management program.

(4) The management program and any changes thereto have been reviewed and approved by the Governor.

(5) The Governor of the state has designated a single agency to receive and administer the grants for implementing the management program required under paragraph (1) of this subsection.

(6) The state is organized to implement the management program required under paragraph (1) of this subsection.

(7) The state has the authorities necessary to implement the program, including the authority required under subsection (d) of this section.

(8)² The management program provides for adequate consideration of the national interest involved in planning for, and in the siting of, facilities (including energy facilities in, or which significantly affect, such state's coastal zone) which are necessary to meet requirements which are other than local in nature. In the case of such energy facilities, the Secretary shall find that the state has given such consideration to any applicable interstate energy plan or program.

¹ Sec. 5(2) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended subsection (c) (2) (B) to read as set 306.

² Sec. 5(3) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, corrected subsection (c) (8) to read as set forth in the text.

(9) The management program makes provision for procedures whereby specific areas may be designated for the purpose of preserving or restoring them for their conservation, recreational, ecological, or esthetic values.

(d) Prior to granting approval of the management program, the Secretary shall find that the state, acting through its chosen agency or agencies, including local governments, areawide agencies designated under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, regional agencies, or interstate agencies, has authority for the management of the coastal zone in accordance with the management program. Such authority shall include power—

(1) to administer land and water use regulations, control development in order to ensure compliance with the management program, and to resolve conflicts among competing uses; and

(2) to acquire fee simple and less than fee simple interests in lands, waters, and other property through condemnation or other means when necessary to achieve conformance with the management program.

(e) Prior to granting approval, the Secretary shall also find that the program provides:

(1) for any one or a combination of the following general techniques for control of land and water uses within the coastal zone;

(A) State establishment of criteria and standards for local implementation, subject to administrative review and enforcement of compliance;

(B) Direct state land and water use planning and regulation; or

(C) State administrative review for consistency with the management program of all development plans, projects, or land and water use regulations, including exceptions and variances thereto, proposed by any state or local authority or private developer, with power to approve or disapprove after public notice and an opportunity for hearings.

(2) for a method of assuring that local land and water use regulations within the coastal zone do not unreasonably restrict or exclude land and water uses of regional benefit.

(f) With the approval of the Secretary, a state may allocate to a local government, an areawide agency designated under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, a regional agency, or an interstate agency, a portion of the grant under this section for the purpose of carrying out the provisions of this section: *Provided*, That such allocation shall not relieve the state of the responsibility for ensuring that any funds so allocated are applied in furtherance of such state's approved management program.

(g)¹ Any coastal state may amend or modify the management program which it has submitted and which has been approved by the Secretary under this section, pursuant to the required procedures described in subsection (c). Except with respect to any such amendment which is made before October 1, 1978, for the purpose of complying with the requirements of paragraphs (7), (8), and (9) of section 305(b), no grant shall be made under this section to any coastal state

¹ Sec. 5(4) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new paragraph "(g)".

after the date of such an amendment or modification, until the Secretary approves such amendment or modification.

(h) At the discretion of the state and with the approval of the Secretary, a management program may be developed and adopted in segments so that immediate attention may be devoted to those areas within the coastal zone which most urgently need management programs: *Provided*, That the state adequately provides for the ultimate coordination of the various segments of the management program into a single unified program and that the unified program will be completed as soon as is reasonably practicable.

COORDINATION AND COOPERATION ¹

SEC. 307. (a) In carrying out his functions and responsibilities under this title, the Secretary shall consult with, cooperate with, and, to the maximum extent practicable, coordinate his activities with other interested Federal agencies.

(b) ¹ The Secretary shall not approve the management program submitted by a state pursuant to section 306 unless the views of Federal agencies principally affected by such program have been adequately considered.

(c) (1) Each Federal agency conducting or supporting activities directly affecting the coastal zone shall conduct or support those activities in a manner which is, to the maximum extent practicable, consistent with approved state management programs.

(2) Any Federal agency which shall undertake any development project in the coastal zone of a state shall insure that the project is, to the maximum extent practicable, consistent with approved state management programs.

(3) (A) ¹ After final approval by the Secretary of a state's management program, any applicant for a required Federal license or permit to conduct an activity affecting land or water uses in the coastal zone of that state shall provide in the application to the licensing or permitting agency a certification that the proposed activity complies with the state's approved program and that such activity will be conducted in a manner consistent with the program. At the same time, the applicant shall furnish to the state or its designated agency a copy of the certification, with all necessary information and data. Each coastal state shall establish procedures for public notice in the case of all such certifications and, to the extent it deems appropriate, procedures for public hearings in connection therewith. At the earliest practicable time, the state or its designated agency shall notify the Federal agency concerned that the state concurs with or objects to the applicant's certification. If the state or its designated agency fails to furnish the required notification within six months after receipt of its copy of the applicant's certification, the state's concurrence with the certification shall be conclusively presumed. No license or permit shall be granted

¹ Sec. 6(1) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, deleted the word "INTERAGENCY" in the title of this section. Sec. 6(2) of such Act deleted the last sentence of subsection "(b)". Prior to this amendment, this sentence read as follows: "In case of serious disagreement between any Federal agency and the state in the development of the program the Secretary, in cooperation with the Executive Office of the President, shall seek to mediate the differences." Sec. 6(3) of such Act amended subsection (c) (3) by inserting "(A)" immediately after "(3)".

by the Federal agency until the state or its designated agency has concurred with the applicant's certification or until, by the state's failure to act, the concurrence is conclusively presumed, unless the Secretary, on his own initiative or upon appeal by the applicant, finds, after providing a reasonable opportunity for detailed comments from the Federal agency involved and from the state, that the activity is consistent with the objectives of this title or is otherwise necessary in the interest of national security.

(B)¹ After the management program of any coastal state has been approved by the Secretary under section 306, any person who submits to the Secretary of the Interior any plan for the exploration or development of, or production from, any area which has been leased under the Outer Continental Shelf Lands Act (43 U.S.C 1331 et seq.) and regulations under such Act shall, with respect to any exploration, development, or production described in such plan and affecting any land use or water use in the coastal zone of such state, attach to such plan a certification that each activity which is described in detail in such plan complies with such state's approved management program and will be carried out in a manner consistent with such program. No Federal official or agency shall grant such person any license or permit for any activity described in detail in such plan until such state or its designated agency receives a copy of such certification and plan, together with any other necessary data and information, and until—

(i) such state or its designated agency, in accordance with the procedures required to be established by such state pursuant to subparagraph (A), concurs with such person's certification and notifies the Secretary and the Secretary of the Interior of such concurrence;

(ii) concurrence by such state with such certification is conclusively presumed, as provided for in subparagraph (A); or

(iii) the Secretary finds, pursuant to subparagraph (A), that each activity which is described in detail in such plan is consistent with the objectives of this title or is otherwise necessary in the interest of national security.

If a state concurs or is conclusively presumed to concur, or if the Secretary makes such a finding, the provisions of subparagraph (A) are not applicable with respect to such person, such state, and any Federal license or permit which is required to conduct any activity affecting land uses or water uses in the coastal zone of such state which is described in detail in the plan to which such concurrence or finding applies. If such state objects to such certification and if the Secretary fails to make a finding under clause (iii) with respect to such certification, or if such person fails substantially to comply with such plan as submitted, such person shall submit an amendment to such plan, or a new plan, to the Secretary of the Interior. With respect to any amendment or new plan submitted to the Secretary of the Interior pursuant to the preceding sentence, the applicable time period for purposes of concurrence by conclusive presumption under subparagraph (A) is 3 months.

(d) State and local governments submitting applications for Federal assistance under other Federal programs affecting the coastal zone

¹ Sec. 6(3) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new paragraph "(B)".

shall indicate the views of the appropriate state or local agency as to the relationship of such activities to the approved management program for the coastal zone. Such applications shall be submitted and coordinated in accordance with the provisions of title IV of the Intergovernmental Coordination Act of 1968 (82 Stat. 1098). Federal agencies shall not approve proposed projects that are inconsistent with a coastal state's management program, except upon a finding by the Secretary that such project is consistent with the purposes of this title or necessary in the interest of national security.

(e) Nothing in this title shall be construed—

(1) to diminish either Federal or state jurisdiction, responsibility, or rights in the field of planning, development, or control of water resources, submerged lands, or navigable waters; nor to displace, supersede, limit, or modify any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more states or of two or more states and the Federal Government; nor to limit the authority of Congress to authorize and fund projects;

(2) as superseding, modifying, or repealing existing laws applicable to the various Federal agencies; nor to affect the jurisdiction, powers, or prerogatives of the International Joint Commission, United States and Canada, the Permanent Engineering Board, and the United States operating entity or entities established pursuant to the Columbia River Basin Treaty, signed at Washington, January 17, 1961, or the International Boundary and Water Commission, United States and Mexico.

(f) Notwithstanding any other provision of this title, nothing in this title shall in any way affect any requirement (1) established by the Federal Water Pollution Control Act, as amended, or the Clean Air Act, as amended, or (2) established by the Federal Government or by any state or local government pursuant to such Acts. Such requirements shall be incorporated in any program developed pursuant to this title and shall be the water pollution control and air pollution control requirements applicable to such program.

(g) When any state's coastal zone management program, submitted for approval or proposed for modification pursuant to section 306 of this title, includes requirements as to shorelands which also would be subject to any federally supported national land use program which may be hereafter enacted, the Secretary, prior to approving such program, shall obtain the concurrence of the Secretary of the Interior, or such other Federal official as may be designated to administer the national land use program, with respect to that portion of the coastal zone management program affecting such inland areas.

(h)¹ In case of serious disagreement between any Federal agency and a coastal state—

(1) in the development or the initial implementation of a management program under section 305; or

(2) in the administration of a management program approved under section 306;

the Secretary, with the cooperation of the Executive Office of the

¹ Sec. 6(4) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new paragraph "(h)".

President, shall seek to mediate the differences involved in such disagreement. The process of such mediation shall, with respect to any disagreement described in paragraph (2), include public hearings which shall be conducted in the local area concerned.

COASTAL ENERGY IMPACT PROGRAM

SEC. 308.¹ (a) (1) The Secretary shall administer and coordinate, as part of the coastal zone management activities of the Federal Government provided for under this title, a coastal energy impact program. Such program shall consist of the provision of financial assistance to meet the needs of coastal states and local governments in such states resulting from specified activities involving energy development. Such assistance, which includes—

(A) grants, under subsection (b), to coastal states for the purposes set forth in subsection (b) (4) with respect to consequences resulting from the energy activities specified therein;

(B) grants, under subsection (c), to coastal states for study of, and planning for, consequences relating to new or expanded energy facilities in, or which significantly affect, the coastal zone;

(C) loans, under subsection (d) (1), to coastal states and units of general purpose local government to assist such states and units to provide new or improved public facilities or public services which are required as a result of coastal energy activity;

(D) guarantees, under subsection (d) (2) and subject to the provisions of subsection (f), of bonds or other evidences of indebtedness issued by coastal states and units of general purpose local government for the purpose of providing new or improved public facilities or public services which are required as a result of coastal energy activity;

(E) grants or other assistance, under subsection (d) (3), to coastal states and units of general purpose local government to enable such states and units to meet obligations under loans or guarantees under subsection (d) (1) or (2) which they are unable to meet as they mature, for reasons specified in subsection (d) (3); and

(F) grants, under subsection (d) (4), to coastal states which have suffered, are suffering, or will suffer any unavoidable loss of a valuable environmental or recreational resource; shall be provided, administered, and coordinated by the Secretary in accordance with the provisions of this section and under the rules and regulations required to be promulgated pursuant to paragraph (2). Any such financial assistance shall be subject to audit under section 313.

(2) The Secretary shall promulgate, in accordance with section 317, such rules and regulations (including, but not limited to, those required under subsection (e)) as may be necessary and appropriate to carry out the provisions of this section.

(b) (1) The Secretary shall make grants annually to coastal states, in accordance with the provisions of this subsection.

¹ Sec. 7 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new section 308 and redesignated sections 308 through 315 as sections 311 through 318.

(2) The amounts granted to coastal states under this subsection shall be, with respect to any such state for any fiscal year, the sum of the amounts calculated, with respect to such state, pursuant to subparagraphs (A), (B), (C), and (D):

(A) An amount which bears, to one-third of the amount appropriated for the purpose of funding grants under this subsection for such fiscal year, the same ratio that the amount of outer Continental Shelf acreage which is adjacent to such state and which is newly leased by the Federal Government in the immediately preceding fiscal year bears to the total amount of outer Continental Shelf acreage which is newly leased by the Federal Government in such preceding year.

(B) An amount which bears, to one-sixth of the amount appropriated for such purpose for such fiscal year, the same ratio that the volume of oil and natural gas produced in the immediately preceding fiscal year from the outer Continental Shelf acreage which is adjacent to such state and which is leased by the Federal Government bears to the total volume of oil and natural gas produced in such year from all of the outer Continental Shelf acreage which is leased by the Federal Government.

(C) An amount which bears, to one-sixth of the amount appropriated for such purpose for such fiscal year, the same ratio that the volume of oil and natural gas produced from outer Continental Shelf acreage leased by the Federal Government which is first landed in such state in the immediately preceding fiscal year bears to the total volume of oil and natural gas produced from all outer Continental Shelf acreage leased by the Federal Government which is first landed in all of the coastal states in such year.

(D) An amount which bears, to one-third of the amount appropriated for such purpose for such fiscal year, the same ratio that the number of individuals residing in such state in the immediately preceding fiscal year who obtain new employment in such year as a result of new or expanded outer Continental Shelf energy activities bears to the total number of individuals residing in all of the coastal states in such year who obtain new employment in such year as a result of such outer Continental Shelf energy activities.

(3)(A) The Secretary shall determine annually the amounts of the grants to be provided under this subsection and shall collect and evaluate such information as may be necessary to make such determinations. Each Federal department, agency, and instrumentality shall provide to the Secretary such assistance in collecting and evaluating relevant information as the Secretary may request. The Secretary shall request the assistance of any appropriate state agency in collecting and evaluating such information.

(B) For purposes of making calculations under paragraph (2), outer Continental Shelf acreage is adjacent to a particular coastal state if such acreage lies on that state's side of the extended lateral seaward boundaries of such state. The extended lateral seaward boundaries of a coastal state shall be determined as follows:

(i) If lateral seaward boundaries have been clearly defined or fixed by an interstate compact, agreement, or judicial decision (if entered into, agreed to, or issued before the date of the enactment

of this paragraph), such boundaries shall be extended on the basis of the principles of delimitation used to so define or fix them in such compact, agreement, or decision.

(ii) If no lateral seaward boundaries, or any portion thereof, have been clearly defined or fixed by an interstate compact, agreement, or judicial decision, lateral seaward boundaries shall be determined according to the applicable principles of law, including the principles of the Convention on the Territorial Sea and the Contiguous Zone, and extended on the basis of such principles.

(iii) If, after the date of enactment of this paragraph, two or more coastal states enter into or amend an interstate compact or agreement in order to clearly define or fix lateral seaward boundaries, such boundaries shall thereafter be extended on the basis of the principles of delimitation used to so define or fix them in such compact or agreement.

(C) For purposes of making calculations under this subsection, the transitional quarter beginning July 1, 1976, and ending September 30, 1976, shall be included within the fiscal year ending June 30, 1976.

(4) Each coastal state shall use the proceeds of grants received by it under this subsection for the following purposes (except that priority shall be given to the use of such proceeds for the purpose set forth in subparagraph (A)):

(A) The retirement of state and local bonds, if any, which are guaranteed under subsection (d) (2); except that, if the amount of such grants is insufficient to retire both state and local bonds, priority shall be given to retiring local bonds.

(B) The study of, planning for, development of, and the carrying out of projects and programs in such state which are—

(i) necessary, because of the unavailability of adequate financing under any other subsection, to provide new or improved public facilities and public services which are required as a direct result of new or expanded outer Continental Shelf energy activity; and

(ii) of a type approved by the Secretary as eligible for grants under this paragraph, except that the Secretary may not disapprove any project or program for highways and secondary roads, docks, navigation aids, fire and police protection, water supply, waste collection and treatment (including drainage), school and education, and hospitals and health care.

(C) The prevention, reduction, or amelioration of any unavoidable loss in such state's coastal zone of any valuable environmental or recreational resource if such loss results from coastal energy activity.

(5) The Secretary, in a timely manner, shall determine that each coastal state has expended or committed, and may determine that such state will expend or commit, grants which such state has received under this subsection in accordance with the purposes set forth in paragraph (4). The United States shall be entitled to recover from any coastal state an amount equal to any portion of any such grant received by such state under this subsection which—

(A) is not expended or committed by such state before the close of the fiscal year immediately following the fiscal year in which the grant was disbursed, or

(B) is expended or committed by such state for any purpose other than a purpose set forth in paragraph (4).

Before disbursing the proceeds of any grant under this subsection to any coastal state, the Secretary shall require such state to provide adequate assurances of being able to return to the United States any amounts to which the preceding sentence may apply.

(c) The Secretary shall make grants to any coastal state if the Secretary finds that the coastal zone of such state is being, or is likely to be, significantly affected by the siting, construction, expansion, or operation of new or expanded energy facilities. Such grants shall be used for the study of, and planning for (including, but not limited to, the application of the planning process included in a management program pursuant to section 305(b)(8)) any economic, social, or environmental consequence which has occurred, is occurring, or is likely to occur in such state's coastal zone as a result of the siting, construction, expansion, or operation of such new or expanded energy facilities. The amount of any such grant shall not exceed 80 per centum of the cost of such study and planning.

(d) (1) The Secretary shall make loans to any coastal state and to any unit of general purpose local government to assist such state or unit to provide new or improved public facilities or public services, or both, which are required as a result of coastal energy activity. Such loans shall be made solely pursuant to this title, and no such loan shall require as a condition thereof that any such state or unit pledge its full faith and credit to the repayment thereof. No loan shall be made under this paragraph after September 30, 1986.

(2) The Secretary shall, subject to the provisions of subsection (f), guarantee, or enter into commitments to guarantee, the payment of interest on, and the principal amount of, any bond or other evidence of indebtedness if it is issued by a coastal state or a unit of general purpose local government for the purpose of providing new or improved public facilities or public services, or both, which are required as a result of a coastal energy activity.

(3) If the Secretary finds that any coastal state or unit of general purpose local government is unable to meet its obligations pursuant to a loan or guarantee made under paragraph (1) or (2) because the actual increases in employment and related population resulting from coastal energy activity and the facilities associated with such activity do not provide adequate revenues to enable such state or unit to meet such obligations in accordance with the appropriate repayment schedule, the Secretary shall, after review of the information submitted by such state or unit pursuant to subsection (e) (3), take any of the following actions:

(A) Modify appropriately the terms and conditions of such loan or guarantee.

(B) Refinance such loan.

(C) Make a supplemental loan to such state or unit the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee.

(D) Make a grant to such state or unit the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee.

Notwithstanding the preceding sentence, if the Secretary—

(i) has taken action under subparagraph (A), (B), or (C) with respect to any loan or guarantee made under paragraph (1) or (2), and

(ii) finds that additional action under subparagraph (A), (B), or (C) will not enable such state or unit to meet, within a reasonable time, its obligations under such loan or guarantee and any additional obligations related to such loan or guarantee; the Secretary shall make a grant or grants under subparagraph (D) to such state or unit in an amount sufficient to enable such state or unit to meet such outstanding obligations.

(4) The Secretary shall make grants to any coastal state to enable such state to prevent, reduce, or ameliorate any unavoidable loss in such state's coastal zone of any valuable environmental or recreational resource, if such loss results from coastal energy activity, if the Secretary finds that such state has not received amounts under subsection (b) which are sufficient to prevent, reduce, or ameliorate such loss.

(e) Rules and regulations with respect to the following matters shall be promulgated by the Secretary as soon as practicable, but not later than 270 days after the date of the enactment of this section:

(1) A formula and procedures for apportioning equitably, among the coastal states, the amounts which are available for the provision of financial assistance under subsection (d). Such formula shall be based on, and limited to, the following factors:

(A) The number of additional individuals who are expected to become employed in new or expanded coastal energy activity, and the related new population, who reside in the respective coastal states.

(B) The standardized unit costs (as determined by the Secretary by rule), in the relevant regions of such states, for new or improved public facilities and public services which are required as a result of such expected employment and the related new population.

(2) Criteria under which the Secretary shall review each coastal state's compliance with the requirements of subsection (g) (2).

(3) Criteria and procedures for evaluating the extent to which any loan or guarantee under subsection (d) (1) or (2) which is applied for by any coastal state or unit of general purpose local government can be repaid through its ordinary methods and rates for generating tax revenues. Such procedures shall require such state or unit to submit to the Secretary such information which is specified by the Secretary to be necessary for such evaluation, including, but not limited to—

(A) a statement as to the number of additional individuals who are expected to become employed in the new or expanded coastal energy activity involved, and the related new population, who reside in such state or unit;

(B) a description, and the estimated costs, of the new or improved public facilities or public services needed or likely to be needed as a result of such expected employment and related new population;

(C) a projection of such state's or unit's estimated tax receipts during such reasonable time thereafter, not to exceed 30 years, which will be available for the repayment of such loan or guarantee; and

(D) a proposed repayment schedule.

The procedures required by this paragraph shall also provide for the periodic verification, review, and modification (if necessary) by the Secretary of the information or other material required to be submitted pursuant to this paragraph.

(4) Requirements, terms, and conditions (which may include the posting of security) which shall be imposed by the Secretary, in connection with loans and guarantees made under subsections (d) (1) and (2), in order to assure repayment within the time fixed, to assure that the proceeds thereof may not be used to provide public services for an unreasonable length of time, and otherwise to protect the financial interests of the United States.

(5) Criteria under which the Secretary shall establish rates of interest on loans made under subsections (d) (1) and (3). Such rates shall not exceed the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of such loans.

In developing rules and regulations under this subsection the Secretary shall, to the extent practicable, request the views of, or consult with, appropriate persons regarding impacts resulting from coastal energy activity.

(f) (1) Bonds or other evidences of indebtedness guaranteed under subsection (d) (2) shall be guaranteed on such terms and conditions as the Secretary shall prescribe, except that—

(A) no guarantee shall be made unless the indebtedness involved will be completely amortized within a reasonable period, not to exceed 30 years;

(B) no guarantee shall be made unless the Secretary determines that such bonds or other evidences of indebtedness will—

(i) be issued only to investors who meet the requirements prescribed by the Secretary, or, if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(ii) bear interest at a rate found not to be excessive by the Secretary; and

(iii) contain, or be subject to, repayment, maturity, and other provisions which are satisfactory to the Secretary;

(C) the approval of the Secretary of the Treasury shall be required with respect to any such guarantee, unless the Secretary of the Treasury waives such approval; and

(D) no guarantee shall be made after September 30, 1986.

(2) The full faith and credit of the United States is pledged to the payment, under paragraph (5), of any default on any indebtedness guaranteed under subsection (d) (2). Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation involved for such guarantee, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation, except for fraud or material misrepresentation on the part of the holder, or known to the holder at the time acquired.

(3) The Secretary shall prescribe and collect fees in connection with guarantees made under subsection (d) (2). These fees may not

exceed the amount which the Secretary estimates to be necessary to cover the administrative costs pertaining to such guarantees.

(4) The interest paid on any obligation which is guaranteed under subsection (d) (2) and which is received by the purchaser thereof (or the purchaser's successor in interest), shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954. The Secretary may pay out of the Fund to the coastal state or the unit of general purpose local government issuing such obligations not more than such portion of the interest on such obligations as exceeds the amount of interest that would be due at a comparable rate determined for loans made under subsection (d) (1).

(5) (A) Payments required to be made as a result of any guarantee made under subsection (d) (2) shall be made by the Secretary from sums appropriated to the Fund or from moneys obtained from the Secretary of the Treasury pursuant to paragraph (6).

(B) If there is a default by a coastal state or unit of general purpose local government in any payment of principal or interest due under a bond or other evidence of indebtedness guaranteed by the Secretary under subsection (d) (2), any holder of such bond or other evidence of indebtedness may demand payment by the Secretary of the unpaid interest on and the unpaid principal of such obligation as they become due. The Secretary, after investigating the facts presented by the holder, shall pay to the holder the amount which is due such holder, unless the Secretary finds that there was no default by such state or unit or that such default has been remedied.

(C) If the Secretary makes a payment to a holder under subparagraph (B), the Secretary shall—

(i) have all of the rights granted to the Secretary or the United States by law or by agreement with the obligor; and

(ii) be subrogated to all of the rights which were granted such holder, by law, assignment, or security agreement between such holder and the obligor.

Such rights shall include, but not be limited to, a right of reimbursement to the United States against the coastal state or unit of general purpose local government for which the payment was made for the amount of such payment plus interest at the prevailing current rate as determined by the Secretary. If such coastal state, or the coastal state in which such unit is located, is due to receive any amount under subsection (b), the Secretary shall, in lieu of paying such amount to such state, deposit such amount in the Fund until such right of reimbursement has been satisfied. The Secretary may accept, in complete or partial satisfaction of any such rights, a conveyance of property or interests therein. Any property so obtained by the Secretary may be completed, maintained, operated, held, rented, sold, or otherwise dealt with or disposed of on such terms or conditions as the Secretary prescribes or approves. If, in any case, the sum received through the sale of such property is greater than the amount paid to the holder under subparagraph (D) plus costs, the Secretary shall pay any such excess to the obligor.

(D) The Attorney General shall, upon the request of the Secretary, take such action as may be appropriate to enforce any right accruing to the Secretary or the United States as a result of the making of any guarantee under subsection (d) (2). Any sums received through any

sale under subparagraph (C) or recovered pursuant to this subparagraph shall be paid into the Fund.

(6) If the moneys available to the Secretary are not sufficient to pay any amount which the Secretary is obligated to pay under paragraph (5), the Secretary shall issue to the Secretary of the Treasury notes or other obligations (only to such extent and in such amounts as may be provided for in appropriation Acts) in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury prescribes. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States on comparable maturities during the month preceding the issuance of such notes or other obligations. Any sums received by the Secretary through such issuance shall be deposited in the Fund. The Secretary of the Treasury shall purchase any notes or other obligations issued under this paragraph, and for this purpose such Secretary may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under that Act are extended to include any purchase of notes or other obligations issued under this paragraph. The Secretary of the Treasury may at any time sell any of the notes or other obligations so acquired under this paragraph. All redemptions, purchases, and sales of such notes or other obligations by the Secretary of the Treasury shall be treated as public debt transactions of the United States.

(g) (1) No coastal state is eligible to receive any financial assistance under this section unless such state—

(A) has a management program which has been approved under section 306;

(B) is receiving a grant under section 305(c) or (d); or

(C) is, in the judgment of the Secretary, making satisfactory progress toward the development of a management program which is consistent with the policies set forth in section 303.

(2) Each coastal state shall, to the maximum extent practicable, provide that financial assistance provided under this section be apportioned, allocated, and granted to units of local government within such state on a basis which is proportional to the extent to which such units need such assistance.

(h) There is established in the Treasury of the United States the Coastal Energy Impact Fund. The Fund shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of carrying out subsections (c) and (d). The Fund shall consist of—

(1) any sums appropriated to the Fund;

(2) payments of principal and interest received under any loan made under subsection (d) (1);

(3) any fees received in connection with any guarantee made under subsection (d) (2); and

(4) any recoveries and receipts under security, subrogation, and other rights and authorities described in subsection (f).

All payments made by the Secretary to carry out the provisions of subsections (c), (d), and (f) (including reimbursements to other Government accounts) shall be paid from the Fund, only to the extent

provided for in appropriation Acts. Sums in the Fund which are not currently needed for the purposes of subsections (c), (d), and (f) shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

(i) The Secretary shall not intercede in any land use or water use decision of any coastal state with respect to the siting of any energy facility or public facility by making siting in a particular location a prerequisite to, or a condition of, financial assistance under this section.

(j) The Secretary may evaluate, and report to the Congress, on the efforts of the coastal states and units of local government therein to reduce or ameliorate adverse consequences resulting from coastal energy activity and on the extent to which such efforts involve adequate consideration of alternative sites.

(k) To the extent that Federal funds are available under, or pursuant to, any other law with respect to—

(1) study and planning for which financial assistance may be provided under subsection (b) (4) (B) and (c), or

(2) public facilities and public services for which financial assistance may be provided under subsection (b) (4) (B) and (d), the Secretary shall, to the extent practicable, administer such subsections—

(A) on the basis that the financial assistance shall be in addition to, and not in lieu of, any Federal funds which any coastal state or unit of general purpose local government may obtain under any other law; and

(B) to avoid duplication.

(l) As used in this section—

(1) The term “retirement”, when used with respect to bonds, means the redemption in full and the withdrawal from circulation of those which cannot be repaid by the issuing jurisdiction in accordance with the appropriate repayment schedule.

(2) The term “unavoidable”, when used with respect to a loss of any valuable environmental or recreational resource, means a loss, in whole or in part—

(A) the costs of prevention, reduction, or amelioration of which cannot be directly or indirectly attributed to, or assessed against, any identifiable person; and

(B) cannot be paid for with funds which are available under, or pursuant to, any provision of Federal law other than this section.

(3) The term “unit of general purposes local government” means any political subdivision of any coastal state or any special entity created by such a state or subdivision which (in whole or part) is located in, or has authority over, such state’s coastal zone, and which (A) has authority to levy taxes or establish and collect user fees, and (B) provides any public facility or public service which is financed in whole or part by taxes or user fees.

INTERSTATE GRANTS

SEC. 309.¹ (a) The coastal states are encouraged to give high priority—

¹ Sec. 8 of the Coastal Zone Management Act Amendments of 1976, Public Law 93-370, approved July 26, 1976, 90 Stat. 1013, inserted a new section 309.

- (1) to coordinating state coastal zone planning, policies, and programs with respect to contiguous areas of such states; and
- (2) to studying, planning, and implementing unified coastal zone policies with respect to such areas.

Such coordination, study, planning, and implementation may be conducted pursuant to interstate agreements or compacts. The Secretary may make grants annually, in amounts not to exceed 90 per centum of the cost of such coordination, study, planning, or implementation, if the Secretary finds that the proceeds of such grants will be used for purposes consistent with sections 305 and 306.

(b) The consent of the Congress is hereby given to two or more coastal states to negotiate, and to enter into, agreements or compacts, which do not conflict with any law or treaty of the United States, for—

- (1) developing and administering coordinated coastal zone planning, policies, and programs pursuant to sections 305 and 306; and

- (2) establishing executive instrumentalities or agencies which such states deem desirable for the effective implementation of such agreements or compacts.

Such agreements or compacts shall be binding and obligatory upon any state or party thereto without further approval by the Congress.

(c) Each executive instrumentality or agency which is established by an interstate agreement or compact pursuant to this section is encouraged to adopt a Federal-State consultation procedure for the identification, examination, and cooperative resolution of mutual problems with respect to the marine and coastal areas which affect, directly or indirectly, the applicable coastal zone. The Secretary, the Secretary of the Interior, the Chairman of the Council on Environmental Quality, the Administrator of the Environmental Protection Agency, the Secretary of the department in which the Coast Guard is operating, and the Administrator of the Federal Energy Administration, or their designated representatives, shall participate ex officio on behalf of the Federal Government whenever any such Federal-State consultation is requested by such an instrumentality or agency.

(d) If no applicable interstate agreement or compact exists, the Secretary may coordinate coastal zone activities described in subsection (a) and may make grants to assist any group of two or more coastal states to create and maintain a temporary planning and coordinating entity to—

- (1) coordinate state coastal zone planning, policies, and programs with respect to contiguous areas of the states involved;

- (2) study, plan, and implement unified coastal zone policies with respect to such areas; and

- (3) establish an effective mechanism, and adopt a Federal-State consultation procedure, for the identification, examination, and cooperative resolution of mutual problems with respect to the marine and coastal areas which affect, directly or indirectly, the applicable coastal zone.

The amount of such grants shall not exceed 90 per centum of the cost of creating and maintaining such an entity. The Federal officials specified in subsection (c), or their designated representatives, shall participate on behalf of the Federal Government, upon the request of any such temporary planning and coordinating entity.

RESEARCH AND TECHNICAL ASSISTANCE FOR COASTAL ZONE MANAGEMENT

SEC. 310.¹ (a) The Secretary may conduct a program of research, study, and training to support the development and implementation of management programs. Each department, agency, and instrumentality of the executive branch of the Federal Government may assist the Secretary, on a reimbursable basis or otherwise, in carrying out the purposes of this section, including, but not limited to, the furnishing of information to the extent permitted by law, the transfer of personnel with their consent and without prejudice to their position and rating, and the performance of any research, study, and training which does not interfere with the performance of the primary duties of such department, agency, or instrumentality. The Secretary may enter into contracts or other arrangements with any qualified person for the purposes of carrying out this subsection.

(b) The Secretary may make grants to coastal states to assist such states in carrying out research, studies, and training required with respect to coastal zone management. The amount of any grant made under this subsection shall not exceed 80 per centum of the cost of such research, studies, and training.

(c) (1) The Secretary shall provide for the coordination of research, studies, and training activities under this section with any other such activities that are conducted by, or subject to the authority of the Secretary.

(2) The Secretary shall make the results of research conducted pursuant to this section available to any interested person.

PUBLIC HEARINGS

SEC. 311.² All public hearings required under this title must be announced at least thirty days prior to the hearing date. At the time of the announcement, all agency materials pertinent to the hearings, including documents, studies, and other data, must be made available to the public for review and study. As similar materials are subsequently developed, they shall be made available to the public as they become available to the agency.

REVIEW OF PERFORMANCE

SEC. 312. (a)³ The Secretary shall conduct a continuing review

(1) the management programs of the coastal states and the performance of such states with respect to coastal zone management; and

(2) the coastal energy impact program provided for under section 308.

(b) The Secretary shall have the authority to terminate any financial assistance extended under section 306 and to withdraw any unexpended portion of such assistance if (1) he determines that the state is failing to adhere to and is not justified in deviating from the pro-

¹ Sec. 9 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted a new section 310.

² Sec. 7 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, redesignated sections 308 through 315 as sections 311 through 318.

³ Sec. 10 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 312(a), as so redesignated by section 7 of this Act, to read as set forth in the text.

gram approved by the Secretary; and (2) the state has been given notice of the proposed termination and withdrawal and given an opportunity to present evidence of adherence or justification for altering its program.

RECORDS AND AUDIT ¹

SEC. 313. (a) Each recipient of a grant under this title or of financial assistance under section 308 ¹ shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition of the funds received under the grant, and of the proceeds of such assistance ¹ the total cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) ² The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall—

(1) after any grant is made under this title or any financial assistance is provided under section 308(d); and

(2) until the expiration of 3 years after—

(A) completion of the project, program, or other undertaking for which such grant was made or used, or

(B) repayment of the loan or guaranteed indebtedness for which such financial assistance was provided,

have access for purposes of audit and examination to any record, book, document, and paper which belongs to or is used or controlled by, any recipient of the grant funds or any person who entered into any transaction relating to such financial assistance and which is pertinent for purposes of determining if the grant funds or the proceeds of such financial assistance are being, or were, used in accordance with the provisions of this title.

ADVISORY COMMITTEE

SEC. 314. (a) The Secretary is authorized and directed to establish a Coastal Zone Management Advisory Committee to advise, consult with, and make recommendations to the Secretary on matters of policy concerning the coastal zone. Such committee shall be composed of not more than fifteen persons designated by the Secretary and shall perform such functions and operate in such a manner as the Secretary may direct. The Secretary shall insure that the committee membership as a group possesses a broad range of experience and knowledge relating to problems involving management, use, conservation, protection, and development of coastal zone resources.

(b) Members of the committee who are not regular full-time employees of the United States, while serving on the business of the committee, including traveltime, may receive compensation at rates not exceeding \$100 per diem; and while so serving away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section

¹ Sec. 11(1) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, inserted "AND AUDIT" immediately following "RECORDS"; sec. 11(2)(A) of such Act inserted "or of financial assistance under section 308" immediately following "grant under this title"; sec. 11(2)(B) of such Act inserted the words "and of the proceeds of such assistance" immediately after "received under the grant."

² Sec. 11(3) of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 313(b), as so redesignated by section 7 of this Act, to read as set forth in the text.

5703 of title 5, United States Code, for individuals in the Government service employed intermittently.

ESTUARINE SANCTUARIES AND BEACH ACCESS

SEC. 315.¹ The Secretary may, in accordance with this section and in accordance with such rules and regulations as the Secretary shall promulgate, make grants to any coastal state for the purpose of—

(1) acquiring, developing, or operating estuarine sanctuaries, to serve as natural field laboratories in which to study and gather data on the natural and human processes occurring within the estuaries of the coastal zone; and

(2) acquiring lands to provide for access to public beaches and other public coastal areas of environmental, recreational, historical, esthetic, ecological, or cultural value, and for the preservation of islands.

The amount of any such grant shall not exceed 50 per centum of the cost of the project involved; except that, in the case of acquisition of any estuarine sanctuary, the Federal share of the cost thereof shall not exceed \$2,000,000.

ANNUAL REPORT

SEC. 316. (a) The Secretary shall prepare and submit to the President for transmittal to the Congress not later than November 1 of each year a report on the administration of this title for the preceding fiscal year. The report shall include but not be restricted to (1) an identification of the state programs approved pursuant to this title during the preceding Federal fiscal year and a description of those programs; (2) a listing of the states participating in the provisions of this title and a description of the status of each state's programs and its accomplishments during the preceding Federal fiscal year; (3) an itemization of the allocation of funds to the various coastal states and a breakdown of the major projects and areas on which these funds were expended; (4) an identification of any State programs which have been reviewed and disapproved or with respect to which grants have been terminated under this title, and a statement of the reasons for such action; (5) a listing of all activities and projects which, pursuant to the provisions of subsection (c) or subsection (d) of section 307, are not consistent with an applicable approved State management program; (6) a summary of the regulations issued by the Secretary or in effect during the preceding Federal fiscal year; (7) a summary of a coordinated national strategy and program for the Nation's coastal zone including identification and discussion of Federal, regional, state, and local responsibilities and functions therein; (8) a summary of outstanding problems arising in the administration of this title in order of priority; (9)² a description of the economic, environmental, and social consequences of energy activity affecting the coastal zone and an evaluation of the effectiveness of financial assistance under section 308 in dealing with such consequences; (10) a description and

¹ Sec. 12 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 315, as so redesignated by section 7 of this Act, to read as set forth in the text.

² Sec. 13 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 316(a), as so redesignated by section 7 of this act, by striking out "and (9)" and inserting in lieu thereof "(12)" and adding new clauses "(8)", "(9)", "(10)", and "(11)".

evaluation of applicable interstate and regional planning and coordination mechanisms developed by the coastal states; (11) a summary and evaluation of the research, studies, and training conducted in support of coastal zone management; and (12) such other information as may be appropriate.

(b) The report required by subsection (a) shall contain such recommendations for additional legislation as the Secretary deems necessary to achieve the objectives of this title and enhance its effective operation.

RULES AND REGULATIONS

SEC. 317. The Secretary shall develop and promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for full participation by relevant Federal agencies, state agencies, local governments, regional organizations, port authorities, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 318.¹ (a) There are authorized to be appropriated to the Secretary—

(1) such sums, not to exceed \$20,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, respectively, as may be necessary for grants under section 305, to remain available until expended;

(2) such sums, not to exceed \$50,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for grants under section 306, to remain available until expended;

(3) such sums, not to exceed \$50,000,000 for each of the 8 fiscal years occurring during the period beginning October 1, 1976, and ending September 30, 1984, as may be necessary for grants under section 308(b);

(4) such sums, not to exceed \$5,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for grants under section 309, to remain available until expended;

(5) such sums, not to exceed \$10,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for financial assistance under section 310, of which 50 per centum shall be for financial assistance under section 310(a) and 50 per centum shall be for financial assistance under section 310(b), to remain available until expended;

(6) such sums, not to exceed \$6,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for grants under section 315(1), to remain available until expended;

¹ Sec. 14 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370, approved July 26, 1976, 90 Stat. 1013, amended section 318 as so redesignated by this Act, to read as set forth in the text.

(7) such sums, not to exceed \$25,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for grants under section 315(2), to remain available until expended; and

(8) such sums, not to exceed \$5,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, respectively, as may be necessary for administrative expenses incident to the administration of this title.

(b) There are authorized to be appropriated until October 1, 1986, to the Fund, such sums, not to exceed \$800,000,000, for the purposes of carrying out the provisions of section 308, other than subsection (b), of which not to exceed \$50,000,000 shall be for purposes of subsections (c) and (d) (4) of such section.

(c) Federal funds received from other sources shall not be used to pay a coastal state's share of costs under section 305, 306, 309, or 310.

EXCERPTS FROM COASTAL ZONE MANAGEMENT ACT AMENDMENTS OF 1976

[Public Law 9-370, 90 Stat. 1013]

* * * * *

SEC. 15. ADMINISTRATION.

(a) There shall be in the National Oceanic and Atmospheric Administration an Associate Administrator for Coastal Zone Management, who shall be appointed by the President, by and with the advice and consent of the Senate. Such Associate Administrator shall be an individual who is, by reason of background and experience, especially qualified to direct the implementation and administration of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.). Such Associate Administrator shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule Pay Rates (5 U.S.C. 5316).

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

“(140) Associate Administrator for Coastal Zone Management, National Oceanic and Atmospheric Administration.”.

(c) The Secretary may, to carry out the provisions of the amendments made by this Act, establish, and fix the compensation for, four new positions without regard to the provision of chapter 51 of title 5, United States Code, at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title. Any such appointment may, at the discretion of the Secretary, be made without regard to the provisions of such title 5 governing appointments in the competitive service.

SEC. 16. SHELLFISH SANITATION REGULATIONS.

(a) The Secretary of Commerce shall—

(1) undertake a comprehensive review of all aspects of the molluscan shellfish industry, including, but not limited to, the harvesting, processing, and transportation of such shellfish; and

(2) evaluate the impact of Federal law concerning water quality on the molluscan shellfish industry.

The Secretary of Commerce shall, not later than April 30, 1977, submit a report to the Congress of the findings, comments, and recommendations (if any) which result from such review and evaluation.

(b) The Secretary of Health, Education, and Welfare shall not promulgate final regulations concerning the national shellfish safety program before June 30, 1977. At least 60 days prior to the promulgation of any such regulations, the Secretary of Health, Education, and Welfare, in consultation with the Secretary of Commerce, shall publish an analysis (1) of the economic impact of such regulations on the domestic shellfish industry, and (2) the cost of such national shellfish safety program relative to the benefits that it is expected to achieve.

Approved July 26, 1976.

COMPREHENSIVE PLANNING GRANTS

EXCERPTS FROM HOUSING ACT OF 1954

[Public Law 560, 83d Congress; 68 Stat. 590, 640, 40 U.S.C. 461]

COMPREHENSIVE PLANNING ¹

SEC. 701. (a) In order to assist State ² and local governments in solving planning problems, including those resulting from the increasing concentration of population in metropolitan and other urban areas and the out-migration from and lack of coordinated development of resources and services in rural areas; ³ to facilitate comprehensive planning for urban and rural development, including coordinated ⁴ transportation systems, on a continuing basis by such governments; and to encourage such governments to establish and improve planning staffs and techniques ⁵ on an areawide basis, and to engage private consultants where their professional services are deemed appropriate by the assisted governments, the Secretary ⁶ is authorized to make planning grants to—

(1) States ⁷ for the provision of planning assistance to (A) ⁸ cities and other municipalities having a population of less than 50,000 according to the latest decennial census, and counties without regard to population: *Provided*, That grants shall be made

¹ Sec. 601, Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 526 substituted "Comprehensive Planning" for "Urban Planning".

Sec. 8(b), National Trails System Act, Public Law 90-543, approved October 2, 1968, 82 Stat. 919, 925, directs the Secretary of HUD, in administering the program of comprehensive planning assistance to encourage the planning of recreation trails in connection with the recreation and transportation planning for metropolitan and other urban areas.

² Sec. 703, Housing Act of 1954, Public Law 560, 83d Congress, approved August 2, 1954, 68 Stat. 590, 641, defines the term "State" as used herein to mean "any State, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States";.

³ Sec. 601, Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 526, rewrote section 701 to include planning for rural areas in addition to planning for metropolitan and other urban areas.

⁴ Sec. 310(b)(1), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 170, included planning for coordinated transportation systems.

⁵ Sec. 601, Housing and Urban Development Act of 1968, inserted at this point the words beginning with "and techniques" down to and including the words "the assisted governments".

⁶ Sec. 10, Public Law 90-19, approved May 25, 1967, 81 Stat. 17, 21, substituted "Secretary" for "Administrator" throughout this section in order to make it conform to the Department of Housing and Urban Development Act which placed all the functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

⁷ Sec. 401(a)(1) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted the word "States" for "State planning agencies".

⁸ Sec. 316, Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 793, substituted this clause for the following: "(A) cities, other municipalities, and counties having a population of less than 50,000 according to the latest decennial census."

Sec. 318 of the Housing Act of 1964 authorized urban planning grants under the sec. 701 program to the city of El Paso, Texas, notwithstanding the population ceiling to assist that city in solving "those urban planning problems that have resulted or are expected to result from the Chamizal Treaty of 1963 between the United States of America and the Republic of Mexico." Any such grants to El Paso are subject to all other conditions and requirements in sec. 701.

under this paragraph for planning assistance to counties having a population of 50,000 or more, according to the latest decennial census, which are within metropolitan areas, only if (i) the Secretary finds that planning and plans for such county will be coordinated with the program of comprehensive planning, if any, which is being carried out for the metropolitan area of which the county is a part, and (ii) the aggregate amount of the grants made subject to this proviso does not exceed 15 per centum of the aggregate amount appropriated, after September 2, 1964, for the purposes of this section, (B) any group of adjacent communities, either incorporated or unincorporated, having a total population of less than 50,000 according to the latest decennial census and having common or related urban planning problems,¹ (C) cities, other municipalities, and counties referred to in paragraph (3) of this subsection, and areas referred to in paragraph (4) of this subsection, and (D) ² Indian reservations;

(2) States for State, interstate, metropolitan, district or regional activities which may be assisted under this section;

(3) cities (including the District of Columbia) having populations of at least 50,000 according to the latest decennial census for local activities which may be assisted under this section;

(4) urban counties as defined under title I of the Housing and Community Development Act of 1974;

(5) the areawide organization in any metropolitan area which is formally charged with carrying out the provisions of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 and section 401 of the Intergovernmental Cooperation Act of 1968: *Provided*, That any such areawide organization, to the extent practicable, shall be composed of or responsible to the elected officials of the unit or units of general local government for the jurisdictions of which they are empowered to carry out the provisions of such Acts;

(6) Indian tribal groups or bodies; and

(7) other governmental units or agencies having special planning needs related to the purposes of this section, including but not limited to interstate regional planning commissions, and units or agencies for disaster areas, federally impacted areas, and local development districts to the extent these needs cannot otherwise be adequately met.³

Activities assisted under this section shall, to the maximum extent feasible, cover entire areas having common or related development problems. The Secretary shall encourage cooperation in preparing and carrying out plans among all interested municipalities, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. To the maximum extent feasible, pertinent plans and studies already made for areas shall be utilized so as to avoid unnecessary repetition of effort and expense.⁴

¹ The words "resulting from rapid urbanization" were deleted at this point by sec. 314(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 792.

² Added by sec. 315(a)(2), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 793.

³ Sec. 401(a)(2) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted new paragraphs "(2)" through "(7)" for paragraphs "(2)" through "(11)".

⁴ Sec. 401(a)(3) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, amended this paragraph.

(b) Activities which may be assisted under this section include those necessary (1) to develop and carry out a comprehensive plan as part of an ongoing planning process, (2) to develop and improve the management capability to implement such plan or part thereof or related plans or planning, and (3) to develop a policy-planning-evaluation capacity so that the recipient may more rationally (A) determine its needs, (B) set long-term goals and short-term objectives, (C) devise programs and activities to meet these goals and objectives, and (D) evaluate the progress of such programs in accomplishing those goals and objectives. Activities assisted under this section shall be carried out by professionally competent persons.

(c) Each recipient of assistance under this section shall carry out an ongoing comprehensive planning process which shall make provision for citizen participation pursuant to regulations of the Secretary where major plans, policies, priorities, or objectives are being determined. The process shall involve development and subsequent modifications of a comprehensive plan which shall be reviewed at least triennially¹ for necessary or desirable amendments. Any such plan shall include, as a minimum, each of the following elements:

(1) A housing element which shall take into account all available evidence of the assumptions and statistical bases upon which the projection of zoning, community facilities, and population growth is based, so that the housing needs of both the region and the local communities studied in the planning will be adequately covered in terms of existing and prospective population growth. The development and formulation of State and local goals pursuant to title XVI of the Housing and Urban Development Act of 1968 shall be a part of such a housing element.

(2) A land-use element which shall include (A) studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth shall take place within the recipient's boundaries, and (B) as a guide for governmental policies and activities, general plans with respect to the pattern and intensity of land use for residential, commercial, industrial, and other activities.

Each of the elements set forth above shall specify (i) broad goals and annual objectives (in measurable terms wherever possible), (ii) programs designed to accomplish these objectives, and (iii) procedures, including criteria set forth in advance, for evaluating programs and activities to determine whether they are meeting objectives. Such elements shall be consistent with each other and consistent with stated national growth policy.

(d) After an initial application for assistance under this section has been approved, the Secretary may make grants on an annual basis, if—

(1) the applicant submits to the Secretary annually a description of its work program designed to meet objectives for the next succeeding one-year period and setting forth any changes the applicant intends to undertake to achieve better progress; and

(2) the applicant submits to the Secretary at least triennially

¹ Housing and Community Development Amendments of 1978, Section 304(b), Public Law 95-557, 92 Stat. 2080 (approved October 31, 1978) amended this section by striking out the word "biennially" and replacing it with the word "triennially."

² Housing and Community Development Amendments of 1978, Section 304(c), Public Law 95-557, 92 Stat. 2080 (approved October 31, 1978) amended this subsection by striking out the word "biennially" and replacing it with the phrase "at least triennially", and by striking the word "two" and replacing it with the word "three."

(A) an evaluation of the progress made by it during the previous three years in meeting objectives set forth in its plan, and B a description of any changes in the plan's goals or objectives.

The Secretary shall make no grant after three years from the date of enactment of the Housing and Community Development Act of 1974, to any applicant (other than an applicant described in paragraph (6) or (7) of subsection (a)), unless the Secretary is satisfied that the comprehensive planning being carried out by the applicant includes the elements specified in paragraphs (1) and (2) of subsection (c).

(e) A grant made under this section shall not exceed two-thirds of the estimated cost of the work for which the grant is made. There are authorized to be appropriated for the purposes of this section not to exceed \$130,000,000 for the fiscal year 1975, not to exceed \$150,000,000 for the fiscal year 1976, not to exceed \$100,000,000 for the fiscal year 1977, and not to exceed \$75,000,000 for the fiscal year 1978, and not to exceed \$57,000,000 for the fiscal year 1979.¹ Of the funds appropriated under this section, not to exceed an aggregate of \$10,000,000 plus 5 per centum of the funds so appropriated may be used by the Secretary for studies, research, and demonstration projects, undertaken independently or by contract, for the development and improvement of techniques and methods for comprehensive planning and for the advancement of the purposes of this section, and for grants to assist in the conduct of studies and research relating to needed revisions in State statutes which create, govern, or control local governments and local governmental operations.

(f) It is the further intent of this section to encourage comprehensive planning on a unified basis for States, cities, counties, metropolitan areas, districts, regions, and Indian reservations and the establishment and development of the organizational units needed therefor. In extending financial assistance under this section, the Secretary may require such assurances as he deems adequate that the appropriate State and local agencies are making reasonable progress in the development of the elements of comprehensive planning. The Secretary is authorized by contract, grant, or otherwise to provide technical assistance to State and local governments, and interstate and regional combinations thereof, to Indian tribal bodies, and to governmental units or agencies described in subsection (a) (7), undertaking such planning and, by contract or otherwise, to make studies and publish information on comprehensive planning and related management problems.

(g) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, cooperative effort and mutual assistance in the comprehensive planning for the growth and development of interstate, metropolitan, or other urban areas, and to establish such agencies,

¹ Sec. 16(a) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended the first [sic] sentence of section 701(e) of the Housing Act of 1954 by striking "and not to exceed \$150,000,000 for the fiscal year 1976" and inserting in lieu thereof "not to exceed \$150,000,000 for the fiscal year 1976, and not to exceed \$100,000,000 for the fiscal year 1977"; section 112 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, deleted "and not to exceed \$100,000,000 for the fiscal year 1977"; and inserted in lieu thereof "not to exceed \$100,000,000 for the fiscal year 1977, and not to exceed \$75,000,000 for the fiscal year 1978." The phrase, "and not to exceed \$57,000,000 for the fiscal year 1979," was added by Housing and Community Development Amendments of 1978, Sec 304(a), Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

(h) In addition to the planning grants authorized by subsection (a), the Secretary is further authorized to make grants to organizations composed of public officials representative of the political jurisdictions within the metropolitan area, region, or district involved for the purpose of assisting such organizations to undertake studies, collect data, develop metropolitan, regional, and district plans and programs, and engage in such other activities, including implementation of such plans, as the Secretary finds necessary or desirable for the solution of the metropolitan, regional, or district problems in such areas, regions, or districts. To the maximum extent feasible, all grants under this subsection shall be for activities relating to all the developmental aspects of the total metropolitan area, region, or district including, but not limited to, land use, transportation, housing, economic development, natural resources development, community facilities, and the general improvement of living environments.

(i) In addition to the other grants authorized by this section, the Secretary is authorized to make grants to assist any city, other municipality, or county in making a survey of the structures and sites in the locality which are determined by its appropriate authorities to be of historical or architectural value. Any such survey shall be designed to identify the historic structures and sites in the locality, determine the cost of their rehabilitation or restoration, and provide such other information as may be necessary or appropriate to serve as a foundation for a balanced and effective program of historic preservation in such locality. The aspects of any such survey which relate to the identification of historic and architectural values shall be conducted in accordance with criteria found by the Secretary to be comparable to those used in establishing the national register maintained by the Secretary of the Interior under other provisions of law; and the results of each such survey shall be made available to the Secretary of the Interior. A grant under this subsection shall be made to the appropriate agency or entity specified in paragraphs (1) through (6) of subsection (a) or, if there is no such agency or entity which is qualified and willing to receive the grant and provide for its utilization in accordance with this subsection, directly to the city, other municipality, or county involved.

(j) Grants made under this section may be used, subject to regulations and conditions prescribed by the Secretary, for any activities made eligible by the provisions of this section; but such regulations shall provide that grant assistance shall not be used to defray the cost of the acquisition, construction, repair, or rehabilitation of, or the preparation of engineering drawings or similar detailed specifications for, specific housing, capital facilities, or public works projects.

(k) The Secretary shall consult with the heads of other Federal departments and agencies having responsibilities related to the purposes of this section, including responsibilities connected with the economic development of rural and depressed areas and the protection and enhancement of the Nation's natural environment, with respect to (1) general standards, policies, and procedures to be followed in the administration of this section, and (2) particular grant actions or approvals which the Secretary believes to be of special interest or concern to one or more of such departments and agencies.

(1) Funds made available under any Federal assistance program for projects or activities, approved as part of or in furtherance of a planning program or related management activities assisted under this section, may be used jointly with funds made available for such projects or activities under any other Federal assistance program, subject to regulations prescribed by the President. Such regulations may include provisions for common technical or administrative requirements where varying or conflicting provisions of law or regulations would otherwise apply, for establishing joint management funds and common non-Federal shares, and for special agreements or delegations of authority, among different Federal agencies in connection with the supervision or administration of assistance. Such regulations shall in any case include appropriate criteria and procedures to assure that any special authorities conferred, which are not otherwise provided for by law, shall be employed only as necessary to promote effective and efficient administration and in a manner consistent with the protection of the Federal interest and program purposes or statutory requirements of a substantive nature. For purposes of this subsection, the term "Federal assistance program" has the same meaning as in the Intergovernmental Cooperation Act of 1968.

(m) As used in this section—

(1) The term "metropolitan area" means a standard metropolitan statistical area, as established by the Office of Management and Budget, subject, however, to such modifications or extensions as the Secretary deems to be appropriate for the purposes of this section.

(2) The term "region" includes (A) all or part of the area of jurisdiction of one or more units of general local government, and (B) one or more metropolitan areas.

(3) The term "district" includes all or part of the area of jurisdiction of (A) one or more counties, and (B) one or more other units of general local government, but does not include any portion of a metropolitan area.

(4) The term "comprehensive planning" includes the following:

(A) preparation, as a guide for governmental policies and action, of general plans with respect to (i) the pattern and intensity of land use, (ii) the provision of public facilities (including transportation facilities) and other government services, and (iii) the effective development and utilization of human and natural resources;

(B) identification and evaluation of area needs (including housing, employment, education, and health) and formulation of specific programs for meeting the needs so identified;

(C) surveys of structures and sites which are determined by the appropriate authorities to be of historic or architectural value;

(D) long-range physical and fiscal plans for such action;

(E) programming of capital improvements and other major expenditures, based on a determination of relative urgency, together with definite financing plans for such expenditures in the earlier years of the program;

(F) coordination of all related plans and activities of the State and local governments and agencies concerned; and

(G) preparation of regulatory and administrative measures in support of the foregoing.

Comprehensive planning for the purpose of districts shall not include planning for or assistance to establishments in relocating from one area to another or assist contractors or subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts theretofore customarily performed by them. The limitation set forth in the preceding sentence shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity, if the Secretary finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary, is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(5) The term 'Indian tribal group or body' means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village, of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) or under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512).¹

(n) In carrying out the provisions of this section relating to planning for States, regions, or other multijurisdictional areas whose development has significance for purposes of national growth and urban development objectives, the Secretary shall encourage the formulation of plans and programs which will include the studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth should take place within such States, regions, or areas. Such plans and programs shall take account of the availability of and need for conserving land and other irreplaceable natural resources; of projected changes in size, movement, and composition of population; of the necessity for expanding housing and employment opportunities; of the opportunities, requirements, and possible locations for new communities and large-scale projects for expanding or revitalizing existing communities; and of the need for methods of achieving modernization, simplification, and improvements in governmental structures, systems, and procedures related to growth objectives. If the Secretary determines that activities otherwise eligible for assistance under this section are necessary to the development or implementation of such plans and programs, he may make grants in support of such activities to any governmental agency or organization of public officials which he determines is capable of carrying out the planning work involved in an effective and efficient manner and may make such grants in an amount equal to not more than 80 per centum of the cost of such activities.²

¹ Added by Sec. 304(d) of Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

² Subsections "(b)" through "(n)" were substituted for former subsections "(b)" through "(j)" by section 401(b) of Housing and Community Development Act of 1974, Public Law 93-383, approved August 22, 1974, 88 Stat. 633.

CLEAN AIR

EXCERPT FROM THE CLEAN AIR ACT

[34 Stat. 1680, 42 U.S.C. 1857]

§1857c-5. State implementation plans for national primary and secondary ambient air quality standards

(a) (1) Each State shall, after reasonable notice and public hearings, adopt and submit to the Administrator, within nine months after the promulgation of a national primary ambient air quality standard (or any revision thereof) under section 1857c-4 of this title for any air pollutant, a plan which provides for implementation, maintenance, and enforcement of such primary standard in each air quality control region (or portion thereof) within such State. In addition, such State shall adopt and submit to the Administrator (either as a part of a plan submitted under the preceding sentence or separately) within nine months after the promulgation of a national ambient air quality secondary standard (or revision thereof), a plan which provides for implementation, maintenance, and enforcement of such secondary standard in each air quality control region (or portion thereof) within such State. Unless a separate public hearing is provided each State shall consider its plan implementing such secondary standard at the hearing required by the first sentence of this paragraph.

(2) The Administrator shall, within four months after the date required for submission of a plan under paragraph (1), approve or disapprove such plan or each portion thereof. The Administrator shall approve such plan, or any portion thereof, if he determines that it was adopted after reasonable notice and hearing and that—

(A) (i) in the case of a plan implementing a national primary ambient air quality standard, it provides for the attainment of such primary standard as expeditiously as practicable but (subject to subsection (e) of this section) in no case later than three years from the date of approval of such plan (or any revision thereof to take account of a revised primary standard); and (ii) in the case of a plan implementing a national secondary ambient air quality standard, it specifies a reasonable time at which such secondary standard will be attained;

(B) it includes emission limitations, schedules, and timetables for compliance with such limitations, and such other measures as may be necessary to insure attainment and maintenance of such primary or secondary standard, including, but not limited to, land-use and transportation controls;

(C) it includes provision for establishment and operation of appropriate devices, methods, systems, and procedures necessary to (i) monitor, compile, and analyze data on ambient air quality and, (ii) upon request, make such data available to the Administrator;

(D) it includes a procedure, meeting the requirements of paragraph (4), for review (prior to construction or modification) of the location of new sources to which a standard of performance will apply;

(E) it contains adequate provisions for intergovernmental cooperation, including measures necessary to insure that emissions of air pollutants from sources located in any air quality control region will not interfere with the attainment or maintenance of such primary or secondary standard in any portion of such region outside of such State or in any other air quality control region;

(F) it provides (i) necessary assurances that the State will have adequate personnel, funding, and authority to carry out such implementation plan, (ii) requirements for installation of equipment by owners or operators of stationary sources to monitor emissions from such sources, (iii) for periodic reports on the nature and amounts of such emissions; (iv) that such reports shall be correlated by the State agency with any emission limitations or standards established pursuant to this chapter, which reports shall be available at reasonable times for public inspection; and (v) for authority comparable to that in section 1857h-1 of this title, and adequate contingency plans to implement such authority;

(G) it provides, to the extent necessary and practicable, for periodic inspection and testing of motor vehicles to enforce compliance with applicable emission standards; and

(H) it provides for revision, after public hearings, of such plan (i) from time to time as may be necessary to take account of revisions of such national primary or secondary ambient air quality standard or the availability of improved or more expeditious methods of achieving such primary or secondary standard; or (ii) whenever the Administrator finds on the basis of information available to him that the plan is substantially inadequate to achieve the national ambient air quality primary or secondary standard which it implements.

(3)(A) The Administrator shall approve any revision of an implementation plan applicable to an air quality control region if he determines that it meets the requirements of paragraph (2) and has been adopted by the State after reasonable notice and public hearings.

(B) As soon as practicable, the Administrator shall, consistent with the purposes of this chapter and the Energy Supply and Environmental Coordination Act of 1974, review each State's applicable implementation plans and report to the State on whether such plans can be revised in relation to fuel burning stationary sources (or persons supplying fuel to such sources) without interfering with the attainment and maintenance of any national ambient air quality standard with the period permitted in this section. If the Administrator determines that any such plan can be revised, he shall notify the State that a plan revision may be submitted by the State. Any plan revision which is submitted by the State shall, after public notice and opportunity for public hearing, be approved by the Administrator if the revision relates only to fuel burning stationary sources (or persons supplying fuel to such sources), and the plan as revised complies with paragraph (2) of this subsection. The Administrator shall approve or

disapprove any revision no later than three months after its submission.

(4) The procedure referred to in paragraph (2)(D) for review, prior to construction or modification, of the location of new sources shall (A) provide for adequate authority to prevent the construction or modification of any new source to which a standard of performance under section 1857c-6 of this title will apply at any location which the State determines will prevent the attainment or maintenance within any air quality control region (or portion thereof) within such State of a national ambient air quality primary or secondary standard, and (B) require that prior to commencing construction or modification of any such source, the owner or operator thereof shall submit to such State such information as may be necessary to permit the State to make a determination under clause (A).

(b) The Administrator may, wherever he determines necessary, extend the period for submission of any plan or portion thereof which implements a national secondary ambient air quality standard for a period not to exceed 18 months from the date otherwise required for submission of such plan.

(c)(1) The Administrator shall, after consideration of any State hearing record, promptly prepare and publish proposed regulations setting forth an implementation plan, or portion thereof, for a State if—

(A) the State fails to submit an implementation plan for any national ambient air quality primary or secondary standard within the time prescribed,

(B) the plan, or any portion thereof, submitted for such State is determined by the Administrator not to be in accordance with the requirements of this section, or

(C) the State fails, within 60 days after notification by the Administrator or such longer period as he may prescribe, to revise an implementation plan as required pursuant to a provision of its plan referred to in subsection (a)(2)(H) of this section.

If such State held no public hearing associated with respect to such plan (or revision thereof), the Administrator shall provide opportunity for such hearing within such State on any proposed regulation. The Administrator shall, within six months after the date required for submission of such plan (or revision thereof), promulgate any such regulations unless, prior to such promulgation, such State has adopted and submitted a plan (or revision) which the Administrator determines to be in accordance with the requirements of this section.

(2)(A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than three months after June 22, 1954, on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or

transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Federal Energy Administrator, and the Chairman of the Council on Environmental Quality.

(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void on June 22, 1974. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any implementation plan submitted by a State on such plan's including a parking surcharge regulation.

(C) The Administrator is authorized to suspend until January 1, 1975, the effective date or applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

(D) For purposes of this paragraph—

(i) The term "parking surcharge regulation" means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles.

(ii) The term "management of parking supply" shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations.

(iii) The term "preferential bus/carpool lane" shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses or carpools, or both.

(E) No standard, plan, or requirement, relating to management of parking supply or preferential bus/carpool lanes shall be promulgated after June 22, 1974, by the Administrator pursuant to this section, unless such promulgation has been subjected to at least one public hearing which has been held in the area affected and for which reasonable notice has been given in such area. If substantial changes are made following public hearings, one or more additional hearings shall be held in such area after such notice.

(d) For purposes of this chapter, an applicable implementation plan is the implementation plan, or most recent revision thereof, which has been approved under subsection (a) of this section or promulgated under subsection (c) of this section and which implements a national primary or secondary ambient air quality standard in a State.

(e)(1) Upon application of a Governor of a State at the time of submission of any plan implementing a national ambient air quality primary standard, the Administrator may (subject to paragraph (2)) extend the three-year period referred to in subsection (a)(2)(A)(i) of this section for not more than two years for an air quality control region if after review of such plan the Administrator determines that—

(A) one or more emission sources (or classes of moving sources) are unable to comply with the requirements of such plan which implement such primary standard because the necessary technology or other alternatives are not available or will not be available soon enough to permit compliance within such three-year period, and

(B) the State has considered and applied as a part of its plan reasonably available alternative means of attaining such primary standard and has justifiably concluded that attainment of such primary standard within the three years cannot be achieved.

(2) The Administrator may grant an extension under paragraph (1) only if he determines that the State plan provides for—

(A) application of the requirements of the plan which implement such primary standard to all emission sources in such region other than the sources (or classes) described in paragraph (1)

(A) within the three-year period, and

(B) such interim measures of control of the sources (or classes) described in paragraph (1) (A) as the Administrator determines to be reasonable under the circumstances.

(f)(1) Prior to the date on which any stationary source or class of moving sources is required to comply with any requirement of an applicable implementation plan the Governor of the State to which such plan applies may apply to the Administrator to postpone the applicability of such requirement to such sources (or class) for not more than one year. If the Administrator determines that—

(A) good faith efforts have been made to comply with such requirement before such date,

(B) such source (or class) is unable to comply with such requirement because the necessary technology or other alternative methods of control are not available or have not been available for a sufficient period of time,

(C) any available alternative operating procedures and interim control measures have reduced or will reduce the impact of such source on public health, and

(D) the continued operation of such source is essential to national security or to the public health or welfare,

then the Administrator shall grant a postponement of such requirement.

(2)(A) Any determination under paragraph (1) shall (i) be made on the record after notice to interested persons and opportunity for hearing, (ii) be based upon a fair evaluation of the entire record at such hearing, and (iii) include a statement setting forth in detail the findings and conclusions upon which the determination is based.

(B) Any determination made pursuant to this paragraph shall be subject to judicial review by the United States court of appeals for the circuit which includes such State upon the filing in such court within 30 days from the date of such decision of a petition by any interested

person praying that the decision be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the Administrator and thereupon the Administrator shall certify and file in such court the record upon which the final decision complained of was issued, as provided in section 2112 of Title 28. Upon the filing of such petition the court shall have jurisdiction to affirm or set aside the determination complained of in whole or in part. The findings of the Administrator with respect to questions of fact (including each determination made under subparagraphs (A), (B), (C), and (D) of paragraph (1)) shall be sustained if based upon a fair evaluation of the entire record at such hearing.

(C) Proceedings before the court under this paragraph shall take precedence over all the other causes of action on the docket and shall be assigned for hearing and decision at the earliest practicable date and expedited in every way.

(D) Section 1857h-5(a) of this title (relating to subpoenas) shall be applicable to any proceeding under this subsection.

WATER POLLUTION CONTROL

EXCERPTS FROM FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972

[Public Law 92-500, 86 Stat. 816, 33 U.S.C. 1251]

AN ACT To amend the Federal Water Pollution Control Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Federal Water Pollution Control Act Amendments of 1972".

SEC. 2. The Federal Water Pollution Control Act* is amended to read as follows:

"TITLE I—RESEARCH AND RELATED PROGRAMS

"DECLARATION OF GOALS AND POLICY

"SEC. 101. (a) The objective of this Act is to restore and maintain the chemical, physical, and biological integrity of the Nation's waters. In order to achieve this objective it is hereby declared that, consistent with the provisions of this Act—

"(1) it is the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985;

"(2) it is the national goal that wherever attainable, an interim goal of water quality which provides for the protection and propagation of fish, shellfish, and wildlife and provides for recreation in and on the water be achieved by July 1, 1983;

"(3) it is the national policy that the discharge of toxic pollutants in toxic amounts be prohibited;

"(4) it is the national policy that Federal financial assistance be provided to construct publicly owned waste treatment works;

"(5) it is the national policy that areawide waste treatment management planning processes be developed and implemented to assure adequate control of sources of pollutants in each State; and

"(6) it is the national policy that a major research and demonstration effort be made to develop technology necessary to eliminate the discharge of pollutants into the navigable waters, waters of the contiguous zone, and the oceans.

"(b) It is the policy of the Congress to recognize, preserve, and protect the primary responsibilities and rights of States to prevent, reduce, and eliminate pollution, to plan the development and use (including restoration, preservation, and enhancement) of land and water resources, and to consult with the Administrator in the exercise of his authority under this Act. It is the policy of Congress that

*33 U.S.C.A. § 1151 et seq.

the State manage the construction grant program under this Act and implement the permit programs under sections 402 and 404 of this Act.¹ It is further the policy of the Congress to support and aid research relating to the prevention, reduction, and elimination of pollution, and to provide Federal technical services and financial aid to State and interstate agencies and municipalities in connection with the prevention, reduction, and elimination of pollution.

“(c) It is further the policy of Congress that the President, acting through the Secretary of State and such national and international organizations as he determines appropriate, shall take such action as may be necessary to insure that to the fullest extent possible all foreign countries shall take meaningful action for the prevention, reduction, and elimination of pollution in their waters and in international waters and for the achievement of goals regarding the elimination of discharge of pollutants and the improvement of water quality to at least the same extent as the United States does under its laws.

“(d) Except as otherwise expressly provided in this Act, the Administrator of the Environmental Protection Agency (hereinafter in this Act called ‘Administrator’) shall administer this Act.

“(e) Public participation in the development, revision, and enforcement of any regulation, standard, effluent limitation, plan, or program established by the Administrator or any State under this Act shall be provided for, encouraged, and assisted by the Administrator and the States. The Administrator, in cooperation with the States, shall develop and publish regulations specifying minimum guidelines for public participation in such processes.

“(f) It is the national policy that to the maximum extent possible the procedures utilized for implementing this Act shall encourage the drastic minimization of paperwork and interagency decision procedures, and the best use of available manpower and funds, so as to prevent needless duplication and unnecessary delays at all levels of government.

“(g) ² It is the policy of Congress that the authority of each State to allocate quantities of water within its jurisdiction shall not be superseded, abrogated or otherwise impaired by this Act. It is the further policy of Congress that nothing in this Act shall be construed to supersede or abrogate rights to quantities of water which have been established by any State. Federal agencies shall co-operate with State and local agencies to develop comprehensive solutions to prevent, reduce and eliminate pollution in concert with programs for managing water resources.

“COMPREHENSIVE PROGRAMS FOR WATER POLLUTION CONTROL

“SEC. 102. (a) The Administrator shall, after careful investigation, and in cooperation with other Federal agencies, State water pollution control agencies, interstate agencies, and the municipalities and industries involved, prepare or develop comprehensive programs for preventing, reducing, or eliminating the pollution of the

¹ Sec. 26(b) of the Clean Water Act of 1977, Public Law 95-217, approved December 27, 1977, amended section 101(b) by inserting this sentence.

² Sec. 5(a) of the Clean Water Act of 1977, Public Law 95-217, approved December 27, 1977, amended section 101 by adding at the end thereof new subsection (g).

navigable waters and ground waters and improving the sanitary condition of surface and underground waters. In the development of such comprehensive programs due regard shall be given to the improvements which are necessary to conserve such waters for the protection and propagation of fish and aquatic life and wildlife, recreational purposes, and the withdrawal of such waters for public water supply, agricultural, industrial, and other purposes. For the purpose of this section, the Administrator is authorized to make joint investigations with any such agencies of the condition of any waters in any State or States, and of the discharges of any sewage, industrial wastes, or substance which may adversely affect such waters.

“(b) (1) In the survey or planning of any reservoir by the Corps of Engineers, Bureau of Reclamation, or other Federal agency, consideration shall be given to inclusion of storage for regulation of streamflow, except that any such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source.

“(2) The need for and the value of storage for regulation of streamflow (other than for water quality) including but not limited to navigation, salt water intrusion, recreation, esthetics, and fish and wildlife, shall be determined by the Corps of Engineers, Bureau of Reclamation, or other Federal agencies.

“(3) The need for, the value of, and the impact of, storage for water quality control shall be determined by the Administrator, and his views on these matters shall be set forth in any report or presentation to Congress proposing authorization or construction of any reservoir including such storage.

“(4) The value of such storage shall be taken into account in determining the economic value of the entire project of which it is a part, and costs shall be allocated to the purpose of regulation of streamflow in a manner which will insure that all project purposes, share equitably in the benefits of multiple-purpose construction.

“(5) Cost of regulation of streamflow features incorporated in any Federal reservoir or other impoundment under the provisions of this Act shall be determined and the beneficiaries identified and if the benefits are widespread or national in scope, the costs of such features shall be nonreimbursable.

“(6) No license granted by the Federal Power Commission for a hydroelectric power project shall include storage for regulation of streamflow for the purpose of water quality control unless the Administrator shall recommend its inclusion and such reservoir storage capacity shall not exceed such proportion of the total storage required for the water quality control plan as the drainage area of such reservoir bears to the drainage area of the river basin or basins involved in such water quality control plan.

“(c) (1) The Administrator shall, at the request of the Governor of a State, or a majority of the Governors when more than one State is involved, make a grant to pay not to exceed 50 per centum of the administrative expenses of a planning agency for a period not to exceed three years, which period shall begin after the date of enactment of the Federal Water Pollution Control Act Amendments of 1972, if such agency provides for adequate representation of appropriate State, interstate, local, or (when appropriate) international

interests in the basin or portion thereof involved and is capable of developing an effective, comprehensive water quality control plan for a basin or portion thereof.

“(2) Each planning agency receiving a grant under this subsection shall develop a comprehensive pollution control plan for the basin or portion thereof which—

“(A) is consistent with any applicable water quality standards, effluent and other limitations, and thermal discharge regulations established pursuant to current law within the basin;

“(B) recommends such treatment works as will provide the most effective and economical means of collection, storage, treatment, and elimination of pollutants and recommends means to encourage both municipal and industrial use of such works;

“(C) recommends maintenance and improvement of water quality within the basin or portion thereof and recommends methods of adequately financing those facilities as may be necessary to implement the plan; and

“(D) as appropriate, is developed in cooperation with, and is consistent with any comprehensive plan prepared by the Water Resources Council, any areawide waste management plans developed pursuant to section 208 of this Act, and any State plan developed pursuant to section 303 (e) of this Act.

“(3) For the purposes of this subsection the term ‘basin’ includes, but is not limited to, rivers and their tributaries, streams, coastal waters, sounds, estuaries, bays, lakes, and portions thereof, as well as the lands drained thereby.”

“(d)¹ The Administrator, after consultation with the States, and River Basin Commissions established under the Water Resources Planning Act, shall submit a report to Congress on or before July 1, 1978, which analyzes the relationship between programs under this Act, and the programs by which State and Federal agencies allocate quantities of water. Such report shall include recommendations concerning the policy in section 101 (g) of the Act to improve coordination of efforts to reduce and eliminate pollution in concert with programs for managing water resources.”.

* * * * *

“RURAL VILLAGE STUDY”²

* * * * *

“SEC. 113.”² * * *

“(e) The Administrator is authorized to coordinate with the Secretary of the Department of Health, Education, and Welfare, the Secretary of the Department of Housing and Urban Development, the Secretary of the Department of the Interior, the Secretary of the Department of Agriculture, and the heads of any other departments or agencies he may deem appropriate to conduct a joint study with representatives of the State of Alaska and the appropriate Native

¹ Sec. 5(b) of the Clean Water Act of 1977, Public Law 95-217, approved December 27, 1977, amended section 102 by adding at the end thereof a new subsection (d).

² Sec. 11(a) of the Clean Water Act of 1977, Public Law 95-217, approved December 27, 1977, amended section 113 by adding new subsections (e), (f), and (g) as set forth in the text.

organizations (as defined in Public Law 92-203) to develop a comprehensive program for achieving adequate sanitation services in Alaska villages. This study shall be coordinated with the programs and projects authorized by sections 104(q) and 105(e)(2) of this Act. The Administrator shall submit a report of the results of the study, together with appropriate supporting data and such recommendations as he deems desirable, to the Committee on Environment and Public Works of the Senate and to the Committee on Public Works and Transportation of the House of Representatives not later than December 31, 1979. The Administrator shall also submit recommended administrative actions, procedures, and any proposed legislation necessary to implement the recommendations of the study no later than June 30, 1980.

“(f) The Administrator is authorized to provide technical, financial and management assistance for operation and maintenance of the demonstration projects constructed under this section, until such time as the recommendations of subsection (e) are implemented.

“(g) For the purpose of this section, the term ‘village’ shall mean an incorporated or unincorporated community with a population of ten to six hundred people living within a two-mile radius. The term ‘sanitation services’ shall mean water supply, sewage disposal, solid waste disposal and other services necessary to maintain generally accepted standards of personal hygiene and public health.”.

* * * * *

Approved October 18, 1972.

EXCERPT FROM THE CLEAN WATER ACT OF 1977

[Public Law 95-217, 91 Stat. 1611, U.S.C. 1281a]

* * * * *

TOTAL TREATMENT SYSTEM FUNDING

SEC. 78. Notwithstanding any other provision of law, in any case where the Administrator of the Environmental Protection Agency finds that the total of all grants made under section 201 of the Federal Water Pollution Control Act for the same treatment works exceeds the actual construction costs for such treatment works (as defined in that Act) such excess amount shall be a grant of the Federal share (as defined in that Act) of the cost of construction of a sewage collection system if—

(1) such sewage collection system was constructed as part of the same total treatment system as the treatment works for which such section 201 grants were approved, and

(2) an application for assistance for the construction of such sewage collection system was filed in accordance with section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3102) before all such section 201 grants were made and such section 702 grant could not be approved due to lack of funding under such section 702.

The total of all grants for sewage collection systems made under this section shall not exceed \$2,800,000.

Approved December 27, 1977.

ENERGY CONSERVATION

DEPARTMENT OF ENERGY

EXCERPTS FROM DEPARTMENT OF ENERGY ORGANIZATION ACT

[Public Law 95-91, 91 Stat. 565]

* * * * *

TITLE II—ESTABLISHMENT OF THE DEPARTMENT

ESTABLISHMENT

SEC. 201. There is hereby established at the seat of government an executive department to be known as the Department of Energy. There shall be at the head of the Department a Secretary of Energy (hereinafter in this Act referred to as the "Secretary"), who shall be appointed by the President by and with the advice and consent of the Senate. The Department shall be administered, in accordance with the provisions of this Act, under the supervision and direction of the Secretary.

* * * * *

TRANSFERS FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 304. (a) There is hereby transferred to, and vested in, the Secretary the functions vested in the Secretary of Housing and Urban Development pursuant to section 304 of the Energy Conservation Standards for New Buildings Act of 1976, to develop and promulgate energy conservation standards for new buildings. The Secretary of Housing and Urban Development shall provide the Secretary with any necessary technical assistance in the development of such standards. All other responsibilities, pursuant to title III of the Energy Conservation and Production Act, shall remain with the Secretary of Housing and Urban Development, except that the Secretary shall be kept fully and currently informed of the implementation of the promulgated standards.

(b) There is hereby transferred to, and vested in, the Secretary the functions vested in the Secretary of Housing and Urban Development pursuant to section 509 of the Housing and Urban Development Act of 1970.

* * * * *

Approved August 4, 1977.

EXCERPTS FROM ENERGY CONSERVATION AND PRODUCTION ACT

[Public Law 94-385, 90 Stat. 1125]

* * * * *

TITLE III—ENERGY CONSERVATION STANDARDS FOR NEW BUILDINGS

SHORT TITLE

SEC. 301. This title may be cited as the “Energy Conservation Standards for New Buildings Act of 1976”.

FINDINGS AND PURPOSES

SEC. 302. (a) The Congress finds that—

(1) large amounts of fuel and energy are consumed unnecessarily each year in heating, cooling, ventilating, and providing domestic hot water for newly constructed residential and commercial buildings because such buildings lack adequate energy conservation features;

(2) Federal performance standards for newly constructed buildings can prevent such waste of energy, which the Nation can no longer afford in view of its current and anticipated energy shortage;

(3) the failure to provide adequate energy conservation measures in newly constructed buildings increases long-term operating costs that may affect adversely the repayment of, and security for, loans made, insured, or guaranteed by Federal agencies or made by federally insured or regulated instrumentalities; and

(4) State and local building codes or similar controls can provide an existing means by which to assure, in coordination with other building requirements and with a minimum of Federal interference in State and local transactions, that newly constructed buildings contain, adequate energy conservation features.

(b) The purposes of this title, therefore, are to—

(1) redirect Federal policies and practices to assure that reasonable energy conservation features will be incorporated into new commercial and residential buildings receiving Federal financial assistance;

(2) provide for the development and implementation, as soon as practicable, of performance standards for new residential and commercial buildings which are designed to achieve the maximum practicable improvements in energy efficiency and increases in the use of nondepletable sources of energy; and

(3) encourage States and local governments to adopt and enforce such standards through their existing building codes and other construction control mechanisms, or to apply them through a special approval process.

DEFINITIONS

SEC. 303. As used in this title: ¹

(1) The term “Administrator” means the Administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this title.

¹ See Department of Energy Organization Act, Public Law 95-91, approved August 4, 1977, *infra*, regarding transfer of functions to Department of Energy.

(2) The term "building" means any structure to be constructed which includes provision for a heating or cooling system, or both, or for a hot water system.

(3) The term "building code" means a legal instrument which is in effect in a State or unit of general purpose local government, the provisions of which must be adhered to if a building is to be considered to be in conformance with law and suitable for occupancy and use.

(4) The term "commercial building" means any building other than a residential building, including any building developed for industrial or public purposes.

(5) The term "Federal agency" means any department, agency, corporation, or other entity or instrumentality of the executive branch of the Federal Government, including the United States Postal Service, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

(6) The term "Federal building" means any building to be constructed by, or for the use of, any Federal agency which is not legally subject to State or local building codes or similar requirements.

(7) The term "Federal financial assistance" means (A) any form of loan, grant, guarantee, insurance, payment, rebate, subsidy, or any other form of direct or indirect Federal assistance (other than general or special revenue sharing or formula grants made to States) approved by any Federal officer or agency; or (B) any loan made or purchased by any bank, savings and loan association, or similar institution subject to regulation by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

(8) The term "National Institute of Building Sciences" means the institute established by section 809 of the Housing and Community Development Act of 1974.

(9) The term "performance standards" means an energy consumption goal or goals to be met without specification of the methods, materials, and processes to be employed in achieving that goal or goals, but including statements of the requirements, criteria and evaluation methods to be used, and any necessary commentary.

(10) The term "residential building" means any structure which is constructed and developed for residential occupancy.

(11) The term "Secretary" means the Secretary of Housing and Urban Development.

(12) The term "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory and possession of the United States.

(13) The term "unit of general purpose local government" means any city, county, town, municipality, or other political subdivision of a State (or any combination thereof), which has a building code or similar authority over a particular geographic area.

**PROMULGATION OF ENERGY CONSERVATION PERFORMANCE STANDARDS FOR
NEW BUILDINGS**

SEC. 304. (a) (1) As soon as practicable, but in no event later than 3 years after the date of enactment of this title, the Secretary, only after consultation with the Administrator, the Secretary of Commerce utilizing the services of the Director of the National Bureau of Standards, and the Administrator of the General Services Administration shall develop and publish in the Federal Register for public comment proposed performance standards for new commercial buildings. Final performance standards shall be promulgated within 6 months after the date of publication of the proposed standards, and shall become effective within a reasonable time, not to exceed 1 year after the date of promulgation, as specified by the Secretary.

(2) As soon as practicable, but in no event later than 3 years after the date of enactment of this title, the Secretary, only after consultation with the Administrator and the Secretary of Commerce utilizing the services of the Director of the National Bureau of Standards, shall develop and publish in the Federal Register for public comment proposed performance standards for new residential buildings. Final performance standards for such buildings shall be promulgated within 6 months after the date of publication of the proposed standards, and shall become effective within a reasonable time, not to exceed 1 year after the date of promulgation, as specified by the Secretary.

(3) In the development of performance standards, the Secretary shall utilize the services of the National Institute of Building Sciences under appropriate contractual arrangements.

(b) All performance standards promulgated pursuant to subsection (a) shall take account of, and make such allowance or particular exception as the Secretary determines appropriate for, climatic variations among the different regions of the country.

(c) The Secretary, in consultation with the Administrator, the Secretary of Commerce, the Administrator of the General Services Administration, and the heads of other appropriate Federal agencies, and the National Institute of Building Sciences, shall periodically review and provide for the updating of performance standards promulgated pursuant to subsection (a).

(d) The Secretary, if he finds that the dates otherwise specified in this section for publication of proposed, or for promulgation of final, performance standards under subsection (a) (1) or (a) (2) cannot practicably be met, may extend the time for such publication or promulgation, but no such extension shall result in a delay of more than 6 months in promulgation.

**APPLICATION OF ENERGY CONSERVATION PERFORMANCE STANDARDS FOR
NEW BUILDINGS**

SEC. 305. (a) Subject to the provisions of subsection (c) and after the effective date of final performance standards for new commercial and residential buildings pursuant to section 304(a), no Federal financial assistance shall be made available or approved with respect to the construction of any new commercial or residential building in any area of any State, unless—

(1) such State has certified, in accordance with regulations of the Secretary, that—

(A) the unit of general purpose local government which has jurisdiction over such area has adopted and is implementing a building code, or other construction control mechanism, which meets or exceeds the requirements of such final performance standards, or

(B) such State has adopted and is implementing, on a statewide basis or with respect to such area, a building code or other laws or regulations which provide for the effective application of such final performance standards;

(2) such new building has been determined, pursuant to any applicable approval process described in subsection (b) to be in compliance with such final performance standards; or

(3) such new building is to be located in any area in which the construction of new buildings is not of a magnitude to warrant the costs of implementing final performance standards, as determined by the Secretary after receiving a request for such a determination (and material justifying such request) from the State in which the area is located; except that the Secretary may rescind such a determination whenever the Secretary finds that the amount of construction of new buildings has increased in such area to an extent that such costs are warranted.

The Secretary shall review and conduct such investigations as are deemed necessary to determine the accuracy of such certifications and shall provide for the periodic updating thereof. The Secretary may reject, disapprove, or require the withdrawal of any such certification after notice to such State and an opportunity for a hearing.

(b) (1) The provisions of this subsection shall not apply to any area subject to the jurisdiction of a unit of general purpose local government or of a State described in subsection (a) (1), and the provisions of this subsection and the approval process applicable under this subsection shall cease to apply to any area at such time as the Secretary receives a certification under subsection (a) (1) with respect to such area.

(2) The Secretary shall have overall responsibility for the effective application of the applicable approval process described in this subsection in any area not exempted therefrom pursuant to paragraph (1).

(3) As used in this section, the term "approval process" means a mechanism and procedure for the consideration and approval of an application to construct a new building and which involves (A) determining whether such proposed building would be in compliance with the final performance standards for new buildings promulgated under section 304, and (B) administration by the level and agency of government specified by the Secretary pursuant to paragraph (4).

(4) The level and agency of government which shall administer the approval process described in this subsection is—

(A) the unit, the agency which grants building permits on behalf of the first of general purpose local government which has jurisdiction over the area in which new construction is proposed, if such agency is willing and able to administer such approval process;

(B) second, if the agency described in subparagraph (A) is not willing and able to administer such approval process, any other

agency of the unit of general purpose local government described in such paragraph which has authority to administer such approval process, if such agency is willing and able to administer such approval process; and

(C) third, if no agency described in subparagraphs (A) and (B) is willing and able to administer such approval process, any agency of the State in which new construction is proposed which has authority to administer such approval process, if such agency is willing and able to administer such approval process.

(c) The President shall transmit the final performance standards for new buildings to both Houses of Congress upon the date of promulgation of such standards pursuant to section 304(a), for review by the Congress under this subsection to determine whether the sanction set forth in the introductory clause to subsection (a) is necessary and appropriate to assure that such standards are in fact applied to all new buildings. Such sanction shall be deemed approved as necessary for such purpose (and shall thereafter be enforced, directly and indirectly, by each applicable person and governmental entity) if the use of such sanction is approved by a resolution of each House of Congress in accordance with the procedures specified in section 552 of the Energy Policy and Conservation Act; except that for purposes of this section the 60 calendar days described in section 552 (b) and (c) (2) of such Act shall be lengthened to 90 calendar days.

FEDERAL BUILDINGS

SEC. 306. The head of each Federal agency responsible for the construction of any Federal building shall adopt such procedures as may be necessary to assure that any such construction meets or exceeds the applicable final performance standards promulgated pursuant to this title.

GRANTS

SEC. 307. (a) The Secretary may make grants to States and units of general purpose local government to assist them in meeting the costs of adopting and implementing performance standards or of administering State certification procedures or any applicable approval process to carry out the provisions of section 305.

(b) ¹ There is authorized to be appropriated, for the purpose of carrying out this section, the following amounts—

(1) for the fiscal year ending September 30, 1977, not to exceed \$5,000,000;

(2) for the fiscal year ending September 30, 1978, not to exceed \$10,000,000; and

(3) for the fiscal year ending September 30, 1979, not to exceed \$10,000,000.

Any amount appropriated pursuant to this subsection shall remain available until expended.

¹ Amended by Sec. 255, National Energy Conservation Policy Act, Public Law 95-619, 92 Stat. 3206, approved November 9, 1978. The subsection formerly read as follows:

(b) There is authorized to be appropriated for the purpose of carrying out this section, not to exceed \$5,000,000 for the fiscal year ending September 30, 1977. Any amount appropriated pursuant to this subsection shall remain available until expended.

TECHNICAL ASSISTANCE

SEC. 308. The Secretary (directly, by contract, or otherwise) may provide technical assistance to States and units of general purpose local government to assist them in meeting the requirements of this title.

CONSULTATION WITH INTERESTED AND AFFECTED GROUPS

SEC. 309. In developing and promulgating performance standards and carrying out other functions under this title, the Secretary shall consult with appropriate representatives of the building community (including representatives of labor and the construction industry, engineers, and architects), with appropriate public officials and organizations of public officials, and with representatives of consumer groups. For purposes of such consultation, the Secretary shall, to the extent practicable, make use of the National Institute of Building Sciences. The Secretary may also establish one or more advisory committee as may be appropriate. Any advisory committee or committees established pursuant to this section shall be subject to the provisions of the Federal Advisory Committee Act.

SUPPORT ACTIVITIES

SEC. 310. The Secretary, in cooperation with the Administrator, the Secretary of Commerce utilizing the services of the Director of the National Bureau of Standards, and the heads of other appropriate Federal agencies, and the National Institute of Building Sciences, shall carry out any activities which the Secretary determines may be necessary or appropriate to assist in the development of performance standards under section 304(a) and to facilitate the implementation of such standards by State and local governments. Such activities shall be designed to assure that such standards are adequately analyzed in terms of energy efficiency, stimulation of use of nondepletable sources of energy, institutional resources, habitability, economic cost and benefit, and impact upon affected groups.

MONITORING OF STATE AND LOCAL ADOPTION OF ENERGY CONSERVATION STANDARDS FOR BUILDINGS

SEC. 311. The Secretary, with the advice and assistance of the National Institute of Building Sciences, shall—

(1) monitor the progress made by the States and their political subdivisions in adopting and enforcing energy conservation standards for new buildings;

(2) identify any procedural obstacles or technical constraints inhibiting implementation of such standards;

(3) evaluate the effectiveness of such prevailing standards; and

(4) within 12 months after the date of enactment of this title, and semiannually thereafter, report to the Congress on (A) the progress of the States and units of general purpose local government in adopting and implementing energy conservation standards for new buildings, and (B) the effectiveness of such standards.

TITLE IV—ENERGY CONSERVATION AND RENEWABLE-RESOURCE ASSISTANCE FOR EXISTING BUILDINGS

SHORT TITLE

SEC. 401. This title may be cited as the "Energy Conservation in Existing Buildings Act of 1976".

FINDINGS AND PURPOSE

SEC. 402. (a) The Congress finds that—

(1) the fastest, most cost-effective, and most environmentally sound way to prevent future energy shortages in the United States, while reducing the Nation's dependence on imported energy supplies, is to encourage and facilitate, through major programs, the implementation of energy conservation and renewable-resource energy measures with respect to dwelling units, non-residential buildings, and industrial plants;

(2) current efforts to encourage and facilitate such measures are inadequate as a consequence of—

(A) a lack of adequate and available financing for such measures, particularly with respect to individual consumers and owners of small businesses;

(B) a shortage of reliable and impartial information and advisory services pertaining to practicable energy conservation measures and renewable-resource energy measures and the cost savings that are likely if they are implemented in such units, buildings, and plants; and

(C) the absence of organized programs which, if they existed, would enable consumers, especially individuals and owners of small businesses, to undertake such measures easily and with confidence in their economic value;

(3) major programs of financial incentives and assistance for energy conservation measures and renewable-resource energy measures in dwelling units, nonresidential buildings, and industrial plants would—

(A) significantly reduce the Nation's demand for energy and the need for petroleum imports;

(B) cushion the adverse impact of the high price of energy supplies on consumers, particularly elderly and handicapped low-income persons who cannot afford to make the modifications necessary to reduce their residential energy use; and

(C) increase, directly and indirectly, job opportunities and national economic output;

(4) the primary responsibility for the implementation of such major programs should be lodged with the governments of the States; the diversity of conditions among the various States and regions of the Nation is sufficiently great that a wholly federally administered program would not be as effective as one which is tailored to meet local requirements and to respond to local opportunities; the State should be allowed flexibility within which to fashion such programs, subject to general Federal guidelines and monitoring sufficient to protect the financial investments of consumers and the financial interest of the United States and to

insure that the measures undertaken in fact result in significant energy and cost savings which would probably not otherwise occur;

(5) to the extent that direct Federal administration is more economical and efficient, direct Federal financial incentives and assistance should be extended through existing and proven Federal programs rather than through new programs that would necessitate new and separate administrative bureaucracies; and

(6) such programs should be designed and administered to supplement, and not to supplant or in any other way conflict with, State energy conservation programs under part C of title III of the Energy Policy and Conservation Act; the emergency energy conservation program carried out by community action agencies pursuant to section 222(a)(12) of the Economic Opportunity Act of 1964; and other forms of assistance and encouragement for energy conservation.

(b) It is, therefore, the purpose of this title to encourage and facilitate the implementation of energy conservation measures and renewable-resource energy measures in dwelling units, nonresidential buildings, and industrial plants, through—

- (1) supplemental State energy conservation plans; and
- (2) Federal financial incentives and assistance.

PART A—WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS

FINDINGS AND PURPOSE

SEC. 411. (a) The Congress finds that—

(1) dwellings owned or occupied by low-income persons frequently are inadequately insulated;

(2) low-income persons, particularly elderly and handicapped low-income persons, can least afford to make the modifications necessary to provide for adequate insulation in such dwellings and to otherwise reduce residential energy use;

(3) weatherization of such dwellings would lower utility expenses for such low-income owners or occupants as well as save thousands of barrels per day of needed fuel; and

(4) States, through community action agencies established under the Economic Opportunity Act of 1964 and units of general purpose local government, should be encouraged, with Federal financial and technical assistance, to develop and support coordinated weatherization programs designed to ameliorate the adverse effects of high energy costs on such low-income persons, to supplement other Federal programs serving such persons, and to conserve energy.

(b) It is, therefore, the purpose of this part to develop and implement a supplementary weatherization assistance program to assist in achieving a prescribed level of insulation in the dwellings of low-income persons, particularly elderly and handicapped low-income persons, in order both to aid those persons least able to afford higher utility costs and to conserve needed energy.

DEFINITIONS

SEC. 412. As used in this part:

- (1) The term "Administrator" means the Administrator of the

Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this part.

(2) The term "Director" means the Director of the Community Services Administration.

(3) The term "elderly" means any individual who is 60 years of age or older.

(4) The term "Governor" means the chief executive officer of a State (including the Mayor of the District of Columbia).

(5) The term "handicapped person" means any individual (A) who is a handicapped individual as defined in section 7(6) of the Rehabilitation Act of 1973, (B) who is under a disability as defined in section 1614(a)(3)(A) or 223(d)(1) of the Social Security Act or in section 102(7) of the Developmental Disabilities Services and Facilities Construction Act, or (C) who is receiving benefits under chapter 11 or 15 of title 38, United States Code.

(6) The terms "Indian", "Indian tribe", and "tribal organization" have the meanings prescribed for such terms by paragraphs (4), (5), and (6), respectively, of section 102 of the Older Americans Act of 1965.

(7) The term "low-income" means that income in relation to family size which (A) is at or below 25 percent of ¹ the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, except that the Administrator may establish a higher level if the Administrator, after consulting with the Secretary of Agriculture and the Director of the Community Services Administration, determines that such a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the weatherization program under section 222(a)(12) of the Economic Opportunity Act of 1964,² or (B) is the basis on which cash assistance payments have been paid during the preceding 12-month period under titles IV and XVI of the Social Security Act or applicable State or local law.

(8) The term "State" means each of the States and the District of Columbia.

(9)³ The term "weatherization materials" means—

(A) caulking and weatherstripping of doors and windows;

(B) furnace efficiency modifications limited to—

(i) replacement burners designed to substantially increase energy efficiency of the heating system,

(ii) devices for modifying flue openings which will increase the energy efficiency of the heating system, and

(iii) electrical or mechanical furnace ignition systems which replace standing gas pilot lights;

(C) clock thermostats;

(D) ceiling, attic, wall, floor, and duct insulation;

(E) water heater insulation;

(F) storm windows and doors, multiglazed windows and

¹ Amended by Sec. 231(a), National Energy Conservation Policy Act of 1978, Public Law 95-619, 92 Stat. 3224, approved November 9, 1978.

² *Id.*

³ Amended by Sec. 231(b), National Energy Conservation Policy Act of 1978, Public Law 95-619, 92 Stat. 3224, approved November 9, 1978.

doors, heat-absorbing or heat-reflective window and door materials; and

(G) such other insulating or energy conserving devices or technologies as the Administrator may determine, by rule, after consulting with the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Director of the Community Services Administration.

WEATHERIZATION PROGRAM

SEC. 413. (a) The Administrator shall develop and conduct, in accordance with the purpose and provisions of this part, a weatherization program. In developing and conducting such program, the Administrator may, in accordance with this part and regulations promulgated under this part, make grants (1) to States, and (2) in accordance with the provisions of subsection (d), to Indian tribal organizations to serve Native Americans. Such grants shall be made for the purpose of providing financial assistance with regard to projects designed to provide for the weatherization of dwelling units, particularly those where elderly or handicapped low-income persons reside, occupied by low-income¹ families.

(b) (1) The Administrator, after consultation with the Director, the Secretary of Housing and Urban Development, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the ACTION Agency, and the heads of such other Federal departments and agencies as the Administrator deems appropriate, shall develop and publish in the Federal Register for public comment, not later than 60 days after the date of enactment of this part, proposed regulations to carry out the provisions of this part. The Administrator shall take into consideration comments submitted regarding such proposed regulations and shall promulgate and publish final regulations for such purpose not later than 90 days after the date of such enactment. The development of regulations under this part shall be fully coordinated with the Director.

(2) The regulations promulgated pursuant to this section shall include provisions—

(A) prescribing, in coordination with the Secretary of Housing and Urban Development, the Secretary of Health, Education, and Welfare, and the Director of the National Bureau of Standards in the Department of Commerce, for use in various climatic, structural, and human need settings, standards for weatherization materials, energy conservation techniques, and balanced combinations thereof, which are designed to achieve a balance of a healthful dwelling environment and maximum practicable energy conservation; and

(B) designed to insure that (i) the benefits of weatherization assistance in connection with leased dwelling units will accrue primarily to low-income tenants; (ii) the rents on such dwelling units will not be raised because of any increase in the value thereof due solely to weatherization assistance provided under this part; and (iii) no undue or excessive enhancement will occur to the value of such dwelling units.

¹ Amended by Sec. 231(a), National Energy Conservation Policy Act of 1978, Public Law 95-619, 92 Stat. 3224, approved November 9, 1978.

(3)¹ The Administrator, in coordination with the Secretaries and Director described in paragraph (2) (A) and with the Director of the Community Services Administration and the Secretary of Agriculture, shall develop and publish in the Federal Register for public comment, not later than 60 days after the date of enactment of this paragraph, proposed amendments to the regulations prescribed under paragraph (1). Such amendments shall provide that the standard described in paragraph (2) (A) shall include a set of procedures to be applied to each dwelling unit to determine the optimum set of cost effective measures, within the cost guidelines set for the program, to be installed in such dwelling unit. Such standards shall, in order to achieve such optimum savings of energy, take into consideration the following factors—

- (A) the cost of the weatherization material;
- (B) variation in climate; and
- (C) the value of energy saved by the application of the weatherization material.

Such standards shall be utilized by the Administrator in carrying out this part, the Secretary of Agriculture in carrying out the weatherization program under section 504(c) of the Housing Act of 1949, and the Director of the Community Services Administration in carrying out weatherization programs under section 222(a) (12) of the Economic Opportunity Act of 1964. The Administrator shall take into consideration comments submitted regarding such proposed amendment and shall promulgate and publish final amended regulations not later than 120 days after the date of enactment of this paragraph.

(c) If a State does not, within 90 days after the date on which final regulations are promulgated under this section, submit an application to the Administrator which meets the requirements set forth in section 414, any unit of general purpose local government of sufficient size (as determined by the Administrator), or a community action agency carrying out programs under title II of the Economic Opportunity Act of 1964, may, in lieu of such State, submit an application (meeting such requirements and subject to all other provisions of this part) for carrying out projects under this part within the geographical area which is subject to the jurisdiction of such government or is served by such agency. If any such application submitted by a unit of general purpose local government proposes that the allocation requirements and the priority for an applicable community action agency, as set forth under section 415(b) (2) (B), be determined to be no longer applicable, the Administrator, as part of the notice and public hearing procedure carried out under section 418 with respect to such application, shall be responsible for making the necessary determination under the proviso in section 415(b) (2) (B). A State may, in accordance with regulations promulgated under this part, submit an amended application.

(d) (1) Notwithstanding any other provision of this part, in any State in which the Administrator determines (after having taken into account the amount of funds made available to the State to carry out the purposes of this part) that the low-income members of an Indian tribe are not receiving benefits under this part that are equivalent to the assistance provided to other low-income persons in such State under this part, and if he further determines that the members of such tribe

¹ Added by Sec. 231(b), National Energy Conservation Policy Act, Public Law 95-619 92 Stat. 3227, approved November 9, 1978.

would be better served by means of a grant made directly to provide such assistance, he shall reserve from sums that would otherwise be allocated to such State under this part not less than 100 percent, nor more than 150 percent, of an amount which bears the same ratio to the State's allocation for the fiscal year involved as the population of all low-income Indians for whom a determination under this subsection has been made bears to the population of all low-income persons in such State.

(2) The sums reserved by the Administrator on the basis of his determination under this subsection shall be granted to the tribal organization serving the individuals for whom such a determination has been made, or, where there is no tribal organization, to such other entity as he determines has the capacity to provide services pursuant to this part.

(3) In order for a tribal organization or other entity to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Administrator an application meeting the requirements set forth in section 414.

(e) Notwithstanding any other provision of law, the Administrator may transfer to the Director sums appropriated under this part to be utilized in order to carry out programs, under section 222(a)(12) of the Economic Opportunity Act of 1964, which further the purpose of this part.

FINANCIAL ASSISTANCE

SEC. 414. (a) The Administrator shall provide financial assistance, from sums appropriated for any fiscal year under this part, only upon annual application. Each such application shall describe the estimated number and characteristics of the low-income persons and the number of dwelling units to be assisted and the criteria and methods to be used by the applicant in providing weatherization assistance to such persons. The application shall also contain such other information (including information needed for evaluation purposes) and assurances as may be required (1) in the regulations promulgated pursuant to section 413 and (2) to carry out this section. The Administrator shall allocate financial assistance to each State on the basis of the relative need for weatherization assistance among low-income persons throughout the States, taking into account the following factors:

(A) The number of dwelling units to be weatherized.

(B) The climatic conditions in the State respecting energy conservation, which may include consideration of annual degree days.

(C) The type of weatherization work to be done in the various settings.

(D) Such other factors as the Administrator may determine necessary in order to carry out the purpose and provisions of this part.

(b) The Administrator shall not provide financial assistance under this part unless the applicant has provided reasonable assurances that it has—

(1) established a policy advisory council which (A) has special qualifications and sensitivity with respect to solving the problems of low-income persons (including the weatherization and energy-conservation problems of such persons), (B) is broadly representative of organizations and agencies which are providing

services to such persons in the State or geographical areas in question, and (C) is responsible for advising the responsible official or agency administering the allocation of financial assistance in such State or area with respect to the development and implementation of such weatherization assistance program;

(2) established priorities to govern the provision of weatherization assistance to low-income persons, including methods to provide priority to elderly and handicapped low-income persons, and such priority as the applicant determines is appropriate for single-family or other high-energy-consuming dwelling units and

(3) established policies and procedures designed to assure that the financial assistance provided under this part will be used to supplement, and not to supplant, State or local funds, and, to the extent practicable, to increase the amounts of such funds that would be made available in the absence of Federal funds for carrying out the purposes of this part, including plans and procedure (A) for securing, to the maximum extent practicable, the service of volunteers and training participants and public service employment workers, pursuant to the Comprehensive Employment and Training Act of 1973, to work under the supervision of qualified supervisors and foremen, and (B) for complying with the limitations set forth in section 415.

LIMITATIONS

SEC. 415. (a) Financial assistance provided under this part shall, to the maximum extent practicable as determined by the Administrator be used for the purchase of weatherization materials and related matters described in subsection (c), except that not more than 5 percent of any grant made pursuant to section 413(a) and not more than 5 percent of any amount allocated under this section may be used for administration in carrying out duties under this part.¹

(b) The Administrator shall insure that financial assistance provided under this part will—

(1) be allocated within the State or area in accordance with a published State or area plan, which is adopted by such State after notice and a public hearing, describing the proposed funding distributions and recipients;

(2) be allocated, pursuant to such State or area plan, to community action agencies carrying out programs under title II of the Economic Opportunity Act of 1964 or to other appropriate and qualified public or nonprofit entities in such State or area so that—

(A) funds will be allocated on the basis of the relative need for weatherization assistance among the low-income persons within such State or area, taking into account appropriate climatic and energy conservation factors;

(B) (i) funds to be allocated for carrying out weatherization projects under this part in the geographical area served by the emergency energy conservation program carried out by a community action agency under section 222(a)(12) of the Economic Opportunity Act of 1964 will be allocated to

¹ Amended by Sec. 231(c), National Energy Conservation Policy Act. Public Law 95-619, 92 Stat. 3206, approved November 9, 1978.

such agency, and (ii) priority in the allocation of such funds for carrying out such projects under this part will be given such a community action agency in so much of the geographical areas served by it as is not served by the emergency energy conservation program it is carrying out: *Provided*, That such allocation requirement and such priority shall no longer apply if the Governor of a State preparing an application for financial assistance under this part makes a determination, on the basis of the public hearing required by paragraph (1) of this subsection, or if the Administrator makes a determination, on the basis of a public hearing pursuant to section 413 (c), that the emergency energy conservation program carried out by such agency has been ineffective in meeting the purpose of this part or is clearly not of sufficient size, and cannot in timely fashion develop the capacity, to support the scope of the project to be carried out in such area with funds under this part; and

(C) due consideration will be given to the results of periodic evaluations of the projects carried out under this part in light of available information regarding the current and anticipated energy and weatherization needs of low-income persons within the State; and

(3) be terminated or discontinued during the application period only in accordance with policies and procedures consistent with the policies and procedures set forth in section 418.

(c)¹(1) Except as provided in paragraph (2), not more than \$800 of any financial assistance provided under this part may be expended with respect to weatherization materials and the following related matters for any dwelling unit—

(A) the appropriate portion of the cost of tools and equipment used to install such materials for such unit;

(B) the cost of transporting labor, tools, and material to such unit;

(C) the cost of having onsite supervisory personnel; and

(D) the cost (not to exceed \$100) of making incidental repairs to such unit if such repairs are necessary to make the installation of weatherization materials effective.

(2) The limitation of \$800 described in paragraph (1) shall not apply if the State policy advisory council, established pursuant to section 414(b) (1), requests the Administrator to provide for a greater amount with respect to specific categories of units or materials in the State, and the Administrator approves such request.

MONITORING, TECHNICAL ASSISTANCE, AND EVALUATION

SEC. 416. The Administrator, in coordination with the Director, shall monitor and evaluate the operation of projects receiving financial assistance under this part through methods provided for in section 417(a), through onsite inspections, or through other means, in order to assure the effective provision of weatherization assistance for the dwelling units of low-income persons. The Administrator shall also carry out periodic evaluations of the program authorized by this part and projects receiving financial assistance under this part. The Administrator may provide technical assistance to any such project, directly

¹ Amended by Sec. 231(c), National Energy Conservation Policy Act, Public Law 95-619, 92 Stat. 3206, approved November 9, 1978.

and through persons and entities with a demonstrated capacity in developing and implementing appropriate technology for enhancing the effectiveness of the provision of weatherization assistance to the dwelling units of low-income persons, utilizing in any fiscal year not to exceed 10 percent of the sums appropriated for such year under this part.

ADMINISTRATIVE PROVISIONS

SEC. 417. (a) The Administrator, in consultation with the Director, by general or special orders, may require any recipient of financial assistance under this part to provide, in such form as he may prescribe, such reports or answers in writing to specific questions, surveys, questionnaires as may be necessary to enable the Administrator and the Director to carry out their functions under this part.

(b) Each person responsible for the administration of a weatherization assistance project receiving financial assistance under this part shall keep such records as the Administrator may prescribe in order to assure an effective financial audit and performance evaluation of such project.

(c) The Administrator, the Director (with respect to community action agencies), and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, information, and records of any project receiving financial assistance under this part that are pertinent to the financial assistance received under this part.

(d) Payments under this part may be made in installments and in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

APPROVAL OF APPLICATIONS AND ADMINISTRATION OF STATE PROGRAMS

SEC. 418. (a) The Administrator shall not finally disapprove an application submitted under this part, or any amendment thereto, without first affording the State (or unit of general purpose local government or community action agency under section 413(c), as appropriate) in question, as well as other interested parties, reasonable notice and an opportunity for a public hearing. The Administrator may consolidate into a single hearing the consideration of more than one such application for a particular fiscal year to carry out projects within a particular State. Whenever the Administrator, after reasonable notice and an opportunity for a public hearing, finds that there is a failure to comply substantially with the provisions of this part or regulations promulgated under this part, he shall notify the agency or institution involved and other interested parties that such State (or unit of general purpose local government or agency, as appropriate) will no longer be eligible to participate in the program under this part until the Administrator is satisfied that there is no longer any such failure to comply.

(b) Reasonable notice under this section shall include a written notice of intention to act adversely (including a statement of the reasons therefor) and a reasonable period of time within which to submit corrective amendments to the application, or to propose corrective action.

JUDICIAL REVIEW

SEC. 419. (a) If any applicant is dissatisfied with the Administrator's final action with respect to the application submitted by it under section 414 or with a final action under section 418, such applicant may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which the State involved is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administrator. The Administrator thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Administrator, if supported by substantial evidence, shall be conclusive. The court may, for good cause shown, remand the case to the Administrator to take further evidence, and the Administrator may thereupon make new or modified findings of fact and may modify his previous action. The Administrator shall certify to the court the record of any such further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Administrator or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

NONDISCRIMINATION

SEC. 420. (a) No person in the United States shall, on the ground of race, color, national origin, or sex, or on the ground of any other factor specified in any Federal law prohibiting discrimination, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, project, or activity supported in whole or in part with financial assistance under this part.

(b) Whenever the Administrator determines that a recipient of financial assistance under this part has failed to comply with subsection (a) or any applicable regulation, he shall notify the recipient hereof in order to secure compliance. If, within a reasonable period of time thereafter, such recipient fails to comply, the Administrator shall—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the power and functions provided by title VI of the Civil Rights Act of 1964 and any other applicable Federal nondiscrimination law; or

(3) take such other action as may be authorized by law.

ANNUAL REPORT

SEC. 421. The Administrator and (with respect to the operation and effectiveness of activities carried out through community action agencies) the Director shall each submit, on or before March 31, 1977, and annually thereafter through 1979, a report to the Congress and the President describing the weatherization assistance program carried out under this part or any other provision of law, including the results

of the periodic evaluations and monitoring activities required by section 416.

AUTHORIZATION OF APPROPRIATIONS

SEC. 422.¹ There are authorized to be appropriated for purposes of carrying out the weatherization program under this part, not to exceed \$55,000,000 for the fiscal year ending September 30, 1977, not to exceed \$130,000,000 for the fiscal year ending September 30, 1978, not to exceed \$200,000,000 for the fiscal year ending September 30, 1979, and not to exceed \$200,000,000 for the fiscal year ending September 30, 1980, such sums to remain available until expended.

PART B—STATE ENERGY CONSERVATION PLANS

DEFINITIONS

SEC. 431. Section 366 of the Energy Policy and Conservation Act is amended by (1) redesignating paragraphs (1) and (2) as paragraph (7) and (8), respectively; and (2) inserting after "As used in this part—" the following new paragraphs:

"(1) The term 'appliance' means any article, such as a room air-conditioner, refrigerator-freezer, or dishwasher, which the Administrator classifies as an appliance for purposes of this part.

"(2) The term 'building' means any structure which includes provision for a heating or cooling system, or both, or for a hot water system.

"(3) The term 'energy audit' means any process which identifies and specifies the energy and cost savings which are likely to be realized through the purchase and installation of particular energy conservation measures or renewable-resource energy measures and which—

"(A) is carried out in accordance with rules of the Administrator; and

"(B) imposes—

"(i) no direct costs, with respect to individuals who are occupants of dwelling units in any State having a supplemental State energy conservation plan approved under section 367, and

"(ii) only reasonable costs, as determined by the Administrator, with respect to any person not described in clause (i).

Rules referred to in subparagraph (A) may include minimum qualifications for, and provisions with respect to conflicts of interest of, persons carrying out such energy audits.

"(4) The term 'energy conservation measure' means a measure which modifies any building or industrial plant, the construction of which has been completed prior to the date of enactment of the Energy Conservation and Production Act, if such measure has been determined by means of an energy audit or by the Administrator, by rule under section 365(e)(1), to be likely to improve the efficiency of energy use and to reduce energy costs (as calculated on the basis of energy costs reasonably projected over time, as determined by the Administrator) in an amount

¹ Amended by Sec. 231(d), National Energy Conservation Policy Act, Public Law 95-619, 92 Stat. 3206, approved November 9, 1978.

sufficient to enable a person to recover the total cost of purchasing and installing such measure (without regard to any tax benefit or Federal financial assistance applicable thereto) within the period of—

“(A) the useful life of the modification involved, as determined by the Administrator, or

“(B) 15 years after the purchase and installation of such measure,

whichever is less. Such term does not include (i) the purchase or installation of any appliance, (ii) any conversion from one fuel or source of energy to another which is of a type which the Administrator, by rule, determines is ineligible on the basis that such type of conversion is inconsistent with national policy with respect to energy conservation or reduction of imports of fuels, or (iii) any measure, or type of measure, which the Administrator determines does not have as its primary purpose an improvement in efficiency of energy use.

“(5) The term ‘industrial plant’ means any fixed equipment or facility which is used in connection with, or as part of, any process or system for industrial production or output.

“(6) The term ‘renewable-resource energy measure’ means a measure which modifies any building or industrial plant, the construction of which has been completed prior to the date of enactment of the Energy Conservation and Production Act, if such measure has been determined by means of an energy audit or by the Administrator, by rule under section 365(e)(1), to—

“(A) involve changing, in whole or in part, the fuel or source of the energy used to meet the requirements of such building or plant from a depletable source of energy to a nondepletable source of energy; and

“(B) be likely to reduce energy costs (as calculated on the basis of energy costs reasonably projected over time, as determined by the Administrator) in an amount sufficient to enable a person to recover the total cost of purchasing and installing such measure (without regard to any tax benefit or Federal financial assistance applicable thereto) within the period of—

“(i) the useful life of the modification involved, as determined by the Administrator, or

“(ii) 25 years after the purchase and installation of such measure,

whichever is less.

Such term does not include the purchase or installation of any appliance.”

SUPPLEMENTAL STATE ENERGY CONSERVATION PLANS

SEC. 432. (a) Part C of title 3 of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new section:

“SUPPLEMENTAL STATE ENERGY CONSERVATION PLANS

“SEC. 367. (a) (1) The Administrator shall, within 6 months after the date of enactment of the Energy Conservation and Production Act,

prescribed guidelines with respect to measures required to be included in, and guidelines for the development, modification, and funding of supplemental State energy conservation plans. Such guidelines shall include the provisions of one or more model supplemental State energy conservation plans with respect to the requirements of this section.

“(2) In prescribing such guidelines, the Administrator shall solicit and consider the recommendations of, and be available to consult with, the Governors of the States as to such guidelines. At least 60 days prior to the date of final publication of such guidelines, the Administrator shall publish proposed guidelines in the Federal Register and invite public comments thereon.

“(3) The Administrator shall invite the Governor of each State to submit to the Administrator a proposed supplemental State energy conservation plan which meets the requirements of subsection (b) and any guidelines applicable thereto.

“(4) The Administrator may prescribe rules applicable to supplemental State energy conservation plans under this section pursuant to which—

“(A) a State may apply for and receive assistance for a supplemental State energy conservation plan under this section; and

“(B) such plan under this section may be administered; as if such plan was a part of the State energy conservation plan program under section 362. Such rules shall not have the effect of delaying funding of the program under section 362.

“(5) Section 363(b)(2)(A), the last sentence of section 363(b)(2), section 363(b)(3), and section 363(c) shall apply to the supplemental State energy conservation plans to the same extent as such provisions apply to State energy conservation plans.

“(6) The Administrator may grant Federal financial assistance pursuant to this section for the purpose of assisting any State in the development of any supplemental State energy conservation plan or in the implementation or modification of such a plan or part thereof which has been submitted to and approved by the Administrator pursuant to this section.

“(b)(1) Each proposed supplemental State energy conservation plan to be eligible for Federal financial assistance under this section shall include—

“(A) procedures for carrying out a continuing public education effort to increase significantly public awareness of—

“(i) the energy and cost savings which are likely to result from the implementation (including implementation through group efforts) of energy conservation measures and renewable-resource energy measures; and

“(ii) information and other assistance (including information as to available technical assistance) which is or may be available with respect to the planning, financing, installing, and with respect to monitoring the effectiveness of measures likely to conserve, or improve efficiency in the use of, energy, including energy conservation measures and renewable-resource energy measures;

“(B) procedures for insuring that effective coordination exists among various local, State, and Federal energy conservation programs within and affecting such State, including any energy extension service program administered by the Energy Research and Development Administration;

“(C) procedures for encouraging and for carrying out energy audits with respect to buildings and industrial plants within such State; and

“(D) any procedures, programs, or other actions required by the Administrator pursuant to paragraph (2).

“(2) The Administrator may promulgate guidelines under this section to provide that, in order to be eligible for Federal assistance under this section, a supplemental State energy conservation plan shall include, in addition to the requirements of paragraph (1) of this subsection, one or more of the following:

“(A) the formation of, and appointment of qualified individuals to be members of, a State energy conservation advisory committee. Such a committee shall have continuing authority to advise and assist such State and its political subdivisions, with respect to matters relating to energy conservation in such State, including the carrying out of such State's energy conservation plan, the development and formulation of any improvements or amendments to such plan, and the development and formulation of procedures which meet the requirements of subparagraphs (A), (B), and (C) of subsection (b)(1). The applicable guidelines shall be designed to assure that each such committee carefully considers the views of the various energy-consuming sectors within the State and of public and private groups concerned with energy conservation;

“(B) an adequate program within such State for the purpose of preventing any unfair or deceptive acts or practices affecting commerce which relate to the implementation of energy conservation measures and renewable-resource energy measures;

“(C) procedures for the periodic verification (by use of sampling or other techniques), at reasonable times, and under reasonable conditions, by qualified officials designated by such State of the purchase and installation and actual cost of energy conservation measures and renewable-resource energy measures for which financial assistance was obtained under section 509 of the Housing and Urban Development Act of 1970, or section 451 of the Energy Conservation and Production Act; and

“(D) assistance for individuals and other persons to undertake cooperative action to implement energy conservation measures and renewable-resource energy measures.

“(c) There are authorized to be appropriated for supplemental State energy conservation plans which are approved under this section \$25,000,000 for fiscal year 1977, \$40,000,000 for fiscal year 1978, and \$40,000,000 for fiscal year 1979.”.

(b) Section 363(b)(2) of the Energy Policy and Conservation Act is amended by adding at the end thereof the following:

“No such plan shall be disapproved without notice and an opportunity to present views.”.

(c) Section 363(c) of the Energy Policy and Conservation Act is amended by (1) striking out “project or program” and “projects or programs” in the first sentence and inserting in lieu thereof “plan, program, projects, measures, or systems” in each case; and (2) striking out “examination” in the second sentence and inserting in lieu thereof “examination, at reasonable times and under reasonable conditions.”.

(d) Section 365 of the Energy Policy and Conservation Act is amended—

- (1) by redesignating subsection (d) as subsection (f);
- (2) by adding immediately after subsection (c) the following two new subsections:

“(d) The Federal Trade Commission shall (1) cooperate with and assist State agencies which have primary responsibilities for the protection of consumers in activities aimed at preventing unfair and deceptive acts or practices affecting commerce which relate to the implementation of measures likely to conserve, or improve efficiency in the use of, energy, including energy conservation measures and renewable-resource energy measures, and (2) undertake its own program, pursuant to the Federal Trade Commission Act, to prevent unfair or deceptive acts or practices affecting commerce which relate to the implementation of any such measures.

“(e) Within 90 days after the date of enactment of this subsection, the Administrator shall—

“(1) develop, by rule after consultation with the Secretary of Housing and Urban Development, and publish a list of energy conservation measures and renewable-resource energy measures which are eligible (on a national or regional basis) for financial assistance pursuant to section 509 of the Housing and Urban Development Act of 1970 or section 451 of the Energy Conservation and Production Act;

“(2) designate, by rule, the types of, and requirements for, energy audits.”; and

(3) in subsection (f), as redesignated by paragraph (1), by inserting “(other than section 367)” after “part”.

PART C—NATIONAL ENERGY CONSERVATION AND RENEWABLE-RESOURCE DEMONSTRATION PROGRAM FOR EXISTING DWELLING UNITS

“ENERGY CONSERVATION AND RENEWABLE-RESOURCE DEMONSTRATION

SEC. 441. Title V of the Housing and Urban Development Act of 1970 is amended by adding the following new section at the end thereof:

“ENERGY CONSERVATION AND RENEWABLE-RESOURCE DEMONSTRATION

“SEC. 509.¹ (a) The Secretary shall undertake a national demonstration program designed to test the feasibility and effectiveness of various forms of financial assistance for encouraging the installation or implementation of approved energy conservation measures and approved renewable-resource energy measures in existing dwelling units. The Secretary shall carry out such demonstration program with a view toward recommending a national program or programs designed to reduce significantly the consumption of energy in existing dwelling units.

“(b) The Secretary is authorized to make financial assistance available pursuant to this section in the form of grants, low-interest-rate loans, interest subsidies, loan guarantees, and such other forms of assistance as the Secretary deems appropriate to carry out the pur-

¹ Function transferred to the Department of Energy by section 304(b) of the Department of Energy Organization Act, Public Law 95-91, approved August 4, 1977.

poses of this section. Assistance may be made available to both owners of dwelling units and tenants occupying such units.

“(c) In carrying out the demonstration program required by this section, the Secretary shall—

“(1) provide assistance in a wide variety of geographic areas to reflect differences in climate, types of dwelling units, and income levels of recipients in order to provide a national profile for use in designing a program which is to be operational and effective nationwide;

“(2) evaluate the appropriateness of various financial incentives for different income levels of owners and occupants of existing dwelling units;

“(3) take into account and evaluate any other financial assistance which may be available for the installation or implementation of energy conservation and renewable-resource energy measures;

“(4) make use of such State and local instrumentalities or other public or private entities as may be appropriate in carrying out the purposes of this section in coordination with the provisions of part C of title III of the Energy Policy and Conservation Act;

“(5) consider, with respect to various forms of assistance and procedures for their application, (A) the extent to which energy conservation measures and renewable-resource energy measures are encouraged which would otherwise not have been undertaken, (B) the minimum amount of Federal subsidy necessary to achieve the objectives of a national program, (C) the costs of administering the assistance, (D) the extent to which the assistance may be encumbered by delays, redtape, and uncertainty as to its availability with respect to any particular applicant, (E) the factors which may prevent the assistance from being available in certain areas or for certain classes of persons, and (F) the extent to which fraudulent practices can be prevented; and

“(6) consult with the Administrator and the heads of such other Federal agencies as may be appropriate.

“(d)(1) The amount of any grant made pursuant to this section shall not exceed the lesser of—

“(A) with respect to an approved energy conservation measure, (i) \$400, or (ii) 20 per centum of the cost of installing or otherwise implementing such measure; and

“(B) with respect to an approved renewable-resource energy measure, (i) \$2,000, or (ii) 25 per centum of the cost of installing or otherwise implementing such measure.

The Secretary may, by rule, increase such percentages and amounts in the case of an applicant whose annual gross family income for the preceding taxable year is less than the median family income for the housing market area in which the dwelling unit which is to be modified by such measure is located, as determined by the Secretary. The Secretary may also modify the limitations specified in this paragraph if necessary in order to achieve the purposes of this section.

“(2) No person shall be eligible for both financial assistance under this section and a credit against income tax for the same energy conservation measure or renewable-resource energy measure.

“(e) The Secretary may condition the availability of financial assistance with respect to the installation and implementation of any

renewable-resource energy measure on such measure's meeting performance standards for reliability and efficiency and such certification procedures as the Secretary may, in consultation with the Administrator and other appropriate Federal agencies, prescribe for the purpose of protecting consumers.

"(f) In carrying out the demonstration program required by this section, the Secretary is authorized to delegate responsibilities to, or to contract with, other Federal agencies or with such State or local instrumentalities or other public or private bodies as the Secretary may deem desirable. Such demonstration program shall be coordinated to the extent practicable, with the State energy conservation plans as described in, and implemented pursuant to, part C of title III of the Energy Policy and Conservation Act.

"(g) The Secretary shall submit an interim report to the Congress not later than 6 months after the date of enactment of this section (and every 6 months thereafter until the final report is made under this subsection) indicating the progress made in carrying out the demonstration program required by this section and shall submit a final report to the Congress, containing findings and legislative recommendations, not later than 2 years after the date of enactment of this section. As part of each report made under this subsection, the Secretary shall include an evaluation, based on the criteria described in subsection (h), of each demonstration project conducted under this section.

"(h) Prior to undertaking any demonstration project under this section, the Secretary shall specify and report to the Congress the criteria by which the Secretary will evaluate the effectiveness of the project and the results to be sought.

"(i) As used in this section:

"(1) The term 'Administrator' means the Administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this section.

"(2) The term 'approved', with respect to an energy conservation measure or a renewable-resource energy measure, means any such measure which is included on a list of such measures which is published by the Administrator of the Federal Energy Administration pursuant to section 365(e)(1) of the Energy Policy and Conservation Act. The Administrator may, by rule, require that an energy audit be conducted as a condition of obtaining assistance under this section for a renewable-resource energy measure.

"(3) The terms 'energy audit', 'energy conservation measure', and 'renewable-resource energy measure' have the meanings prescribed for such terms in section 366 of the Energy Policy and Conservation Act.

"(j) There is authorized to be appropriated, for purposes of this section, not to exceed \$200,000,000. Any amount appropriated pursuant to this subsection shall remain available until expended."

PART E—MISCELLANEOUS PROVISIONS

EXCHANGE OF INFORMATION

SEC. 461. The Administrator shall (through conferences, publications, and other appropriate means) encourage and facilitate the ex-

change of information among the States with respect to energy conservation and increased use of nondepletable energy sources.

REPORT BY THE COMPTROLLER GENERAL

SEC. 462. (a) For each fiscal year ending before October 1, 1979, the Comptroller General shall report to the Congress on the activities of the Administrator and the Secretary under this title and any amendments to other statutes made by this title. The provisions of section 12 of the Federal Energy Administration Act of 1974 (relating to access by the Comptroller General to books, documents, papers, statistics, data, records, and information in the possession of the Administrator or of recipients of Federal funds) shall apply to data which relate to such activities.

(b) Each report submitted by the Comptroller General under subsection (a) shall include—

(1) an accounting, by State, of expenditures of Federal funds under each program authorized by this title or by amendments made by this title;

(2) an estimate of the energy savings which have resulted thereby;

(3) a thorough evaluation of the effectiveness of the programs authorized by this title or by amendments made by this title in achieving the energy conservation or renewable resource potential available in the sectors and regions affected by such programs;

(4) a review of the extent and effectiveness of compliance monitoring of programs established by this title or by amendments made by this title and any evidence as to the occurrence of fraud with respect to such programs; and

(5) the recommendations of the Comptroller General with respect to (A) improvements in the administration of programs authorized by this title or by amendments made by this title, and (B) additional legislation, if any, which is needed to achieve the purposes of this title.

(c) As used in this part:

(1) The term "Administrator" means the Administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this part.

(2) The term "Comptroller General" means the Comptroller General of the United States.

(3) The term "Secretary" means the Secretary of Housing and Urban Development.

Approved August 14, 1976.

EXCERPTS FROM EXECUTIVE ORDER 12003

[42 Fed. Reg. 141]

TITLE 3—THE PRESIDENT

RELATING TO ENERGY POLICY AND CONSERVATION

By virtue of the authority vested in me by the Constitution and the statutes of the United States of America, including the Energy Policy

and Conservation Act (89 Stat. 871, 42 U.S.C. 6201 *et seq.*), the Motor Vehicle Information and Cost Savings Act, as amended (15 U.S.C. 1901 *et seq.*), Section 205(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 486(a)), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

* * * * *

SEC. 2. Executive Order No. 11912 of April 13, 1976, is further amended by adding the following new Section:

"SEC. 10. (a) (1) The Administrator of the Federal Energy Administration, hereinafter referred to as the Administrator, shall develop, with the concurrence of the Director of the Office of Management and Budget, and in consultation with the Secretary of Defense, the Secretary of Housing and Urban Development, the Administrator of Veterans' Affairs, the Administrator of the Energy Research and Development Administration, the Administrator of General Services, and the heads of such other Executive agencies as he deems appropriate, the ten-year plan for energy conservation with respect to Government buildings, as provided by section 381(a) (2) of the Energy Policy and Conservation Act (42 U.S.C. 6361(a) (2)).

"(2) The goals established in subsection (b) shall apply to the following categories of Federally-owned buildings: (i) office buildings, (ii) hospitals, (iii) schools, (iv) prison facilities, (v) multi-family dwellings, (vi) storage facilities, and (vii) such other categories of buildings for which the Administrator determines the establishment of energy-efficiency performance goals is feasible.

"(b) The Administrator shall establish requirements and procedures, which shall be observed by each agency unless a waiver is granted by the Administrator, designed to ensure that each agency to the maximum extent practicable aims to achieve the following goals:

"(1) For the total of all Federally-owned existing buildings the goal shall be a reduction of 20 percent in the average annual energy use per gross square foot of floor area in 1985 from the average energy use per gross square foot of floor area in 1975. This goal shall apply to all buildings for which construction was or design specifications were completed prior to the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

"(2) For the total of all Federally-owned new buildings the goal shall be a reduction of 45 percent in the average annual energy requirement per gross square foot of floor area in 1985 from the average annual energy use per gross square foot of floor area in 1975. This goal shall apply to all new buildings for which design specifications are completed after the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

"(c) The Administrator with the concurrence of the Director of the Office of Management and Budget, in consultation with the heads of the Executive agencies specified in subsection (a) and the Director of the National Bureau of Standards, shall establish, for purposes of developing the ten-year plan, a practical and effective method for estimating and comparing life cycle capital and operating costs for Federal buildings, including residential, commercial, and industrial type categories. Such method shall be consistent with the Office of Management and Budget Circular No. A-94, and shall be adopted and

used by all agencies in developing their plans pursuant to subsection (e), annual reports pursuant to subsection (g), and budget estimates pursuant to subsection (h). For purposes of this paragraph, the term "life cycle cost" means the total costs of owning, operating, and maintaining a building over its economic life, including its fuel and energy costs, determined on the basis of a systematic evaluation and comparison of alternative building systems.

"(d) Not later than November 1, 1977, the Administrator, with the concurrence of the Director of the Office of Management and Budget, and after consultation with the Administrator of General Services and the heads of the Executive agencies specified in subsection (a) shall issue guidelines for the plans to be submitted pursuant to subsection (e).

"(e) (1) The head of each Executive agency that maintains any existing building or will maintain any new building shall submit no later than six months after the issuance of guidelines pursuant to subsection (d), to the Administrator a ten-year plan designed to the maximum extent practicable to meet the goals in subsection (b) for the total of existing or new Federal buildings. Such ten-year plans shall only consider improvements that are cost-effective consistent with the criteria established by the Director of the Office of Management and Budget (OMB Circular A-94) and the method established pursuant to subsection (c) of this Section. The plan submitted shall specify appropriate energy-saving initiatives and shall estimate the expected improvements by fiscal year in terms of specific accomplishments—energy savings and cost savings—together with the estimated costs of achieving the savings.

"(2) The plans submitted shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with over 30,000 gross square feet of space owned and maintained by Executive agencies. Further, the second annual report submitted under subsection (g) (2) of this Section shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with more than 5,000 but not more than 30,000 gross square feet of space. The purposes of such preliminary energy audits shall be to identify the type, size, energy use level and major energy using systems of existing Federal buildings.

"(3) The Administrator shall evaluate agency plans relative to the guidelines established pursuant to subsection (d) for such plans and relative to the cost estimating method established pursuant to subsection (c). Plans determined to be deficient by the Administrator will be returned to the submitting agency head for revision and resubmission within 60 days.

"(4) The head of any Executive agency submitting a plan, should he disagree with the Administrator's determination with respect to that plan, may appeal to the Director of the Office of Management and Budget for resolution of the disagreement.

"(f) The head of each agency submitting a plan or revised plan determined not deficient by the Administrator or, on appeal, by the Director of the Office of Management and Budget, shall implement the plan in accord with approved budget estimates.

"(g) (1) Each Executive agency shall submit to the Administrator an overall plan for conserving fuel and energy in all operations of the agency. This overall plan shall be in addition to and include

any ten-year plan for energy conservation in Government buildings submitted in accord with Subsection (e).

“(2) By July 1 of each year, each Executive agency shall submit a report to the Administrator on progress made toward achieving the goals established in the overall plan required by paragraph (1) of this subsection. The annual report shall include quantitative measures and accomplishment with respect to energy saving actions taken, the cost of these actions, the energy saved, the costs saved, and other benefits realized.

“(3) The Administrator shall prepare a consolidated annual report on Federal government progress toward achieving the goals, including aggregate quantitative measures of accomplishment as well as suggested revisions to the ten-year plan, and submit the report to the President by August 15 of each year.

“(h) Each agency required to submit a plan shall submit to the Director of the Office of Management and Budget with the agency's annual budget submission, and in accordance with procedures and requirements that the Director shall establish, estimates for implementation of the agency's plan. The Director of the Office of Management and Budget shall consult with the Administrator about the agency budget estimates.

“(i) Each agency shall program its proposed energy conservation improvements of buildings so as to give the highest priority to the most cost-effective projects.

“(j) No agency of the Federal government may enter into a lease or a commitment to lease a building the construction of which has not commenced by the effective date of this Order unless the building will likely meet or exceed the general goal set forth in subsection (b) (2).

“(k) The provisions of this Section do not apply to housing units repossessed by the Federal Government.”.

JIMMY CARTER.

THE WHITE HOUSE, *July 20, 1977.*

PLANNED AREAWIDE DEVELOPMENT

EXCERPTS, DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966

[Public Law 89-754, 80 Stat. 1255, 1261; 42 U.S.C. 3331]

TITLE II—PLANNED AREAWIDE¹ DEVELOPMENT

FINDINGS AND DECLARATION OF PURPOSE

SEC. 201.² (a) The Congress hereby finds that the welfare of the Nation and of its people is directly dependent upon the sound and orderly development and the effective organization and functioning of our State and local governments.

It further finds that it is essential that our State and local governments prepare, keep current, and carry out comprehensive plans and programs for their orderly physical development with a view to meeting efficiently all their economic and social needs.

It further finds that our State and local governments are especially handicapped in this task by the complexity and scope of governmental services required, the multiplicity of political jurisdictions and agencies involved, and the inadequacy of the operational and administrative arrangements available for cooperation among them.

It further finds that present requirements for areawide planning and programing in connection with various Federal programs have materially assisted in the solution of areawide problems, but that greater coordination of Federal programs and additional participation and cooperation are needed from the States and localities in perfecting and carrying out such efforts.

(b) It is the purpose of this title to provide through greater coordination of Federal programs, and through supplementary grants for certain federally assisted development projects, additional encouragement and assistance to States and localities for making comprehensive areawide planning and programing effective.

COOPERATION BETWEEN FEDERAL AGENCIES

SEC. 202. In order to insure that all Federal programs related to areawide development are carried out in a coordinated manner—

(1) the Secretary is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsi-

¹ Sec. 602, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 531, substituted "AREAWIDE" for "METROPOLITAN".

² Sec. 602, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 532, rewrote sec. 201 to cover planned "areawide" development in lieu of "metropolitan" development so as to permit supplementary incentive grants for certain federally-assisted projects in all multijurisdictional areas instead of only in metropolitan areas.

bilities for areawide development, and to assist the President in coordinating the areawide development efforts of all Federal agencies; and

(2) all Federal agencies which are engaged in administering programs related to areawide development, or which otherwise perform functions relating thereto, shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

METROPOLITAN EXPEDITERS

SEC. 203. Upon the request of the duly authorized local officials of the central city in any metropolitan area, and after consultation with local governmental authorities throughout the metropolitan area with respect to whether or not the Secretary should make an appointment under this section (and with respect to the individuals who might be so appointed), the Secretary may appoint a metropolitan expeditor¹ for such area whenever he finds a need for the services specified in this section. The metropolitan expeditor shall provide information, data, and assistance to local authorities and private individuals and entities within the metropolitan area, and to all relevant Federal departments and agencies, with respect to all programs and activities conducted within such metropolitan area by the Department of Housing and Urban Development, and with respect to other public and private activities and needs within such metropolitan area which relate to the programs and activities of the Department.

COORDINATION OF FEDERAL AIDS IN METROPOLITAN AREAS

SEC. 204.² (a) All applications made after June 30, 1967, for Federal loans or grants to assist in carrying out open-space land projects or for the planning or construction of hospitals, airports, libraries, water supply and distribution facilities, sewerage facilities and waste treatment works, highways, transportation facilities, law enforcement facilities,³ and water development and land conservation projects within any metropolitan area shall be submitted for review—

(1) to any areawide agency which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of a unit of areawide government or of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning, and

¹ The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968, Public Law 90-121, approved Nov. 3, 1967, 81 Stat. 341, 356, prohibits the use of any appropriations in that act to provide metropolitan expeditors. The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1969, Public Law 90-550, approved Oct. 4, 1968, 82 Stat. 937, 951, contains the same prohibition.

² The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968, Public Law 90-121, approved Nov. 3, 1967, 81 Stat. 341, 356, prohibits the use of any appropriations in that act for the administration or implementation of this section.

The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1969, Public Law 90-550, approved Oct. 4, 1968, 82 Stat. 937, 952, contains the same prohibition.

³ Sec. 522, Omnibus Crime Control and Safe Streets Act of 1968, Public Law 90-351, approved June 19, 1968, 82 Stat. 197, 208, added "law enforcement facilities".

(2) if made by a special purpose unit of local government, to the unit or units of general local government with authority to operate in the area within which the project is to be located.¹

(b)(1) Except as provided in paragraph (2) of this subsection, each application shall be accompanied (A) by the comments and recommendations with respect to the project involved by the areawide agency and governing bodies of the units of general local government to which the application has been submitted for review, and (B) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and the extent to which such project contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this paragraph shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the Federal Government to which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statements referred to in paragraph (1) of this subsection, if the applicant certifies that a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c), or such application, has lain before an appropriate areawide agency or instrumentality or unit of general local government for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality.

(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this title, involves a major change in the project covered by the application prior to such amendment.

(c) The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.

GRANTS ² TO ASSIST IN PLANNED AREAWIDE DEVELOPMENT

SEC. 205. (a) The Secretary is authorized to make supplementary grants to applicant State and local public bodies and agencies carrying out, or assisting in carrying out, areawide development projects meeting the requirements of this section.

(b) Grants may be made under this section only for areawide development projects in areas for which it has been demonstrated, to the satisfaction of the Secretary, that—

¹ Health service systems agencies are required by the National Health Planning and Resources Development Act of 1974, Public Law 93-641, to coordinate their activities with entities referred to in subparagraphs (1) and (2).

² No appropriation has been made for grants under this program although requested for fiscal years 1967, 1968, and 1969.

(1) comprehensive planning and programing provide an adequate basis for evaluating (A) the location, financing, and scheduling of individual public facility projects (including but not limited to hospitals and libraries; sewer, water, and sewage treatment facilities; highway, mass transit, airport, and other transportation facilities; and recreation and other open-space areas) whether or not federally assisted; and (B) other proposed land development or uses, which projects or uses, because of their size, density, type, or location, have public areawide or inter-jurisdictional significance;

(2) adequate areawide institutional or other arrangements exist for coordinating, on the basis of such areawide comprehensive planning and programing, local public policies and activities affecting the development of the area; and

(3) public facility projects and other land development or uses which have a major impact on the development of the area are, in fact, being carried out in accord with such areawide comprehensive planning and programing.

(c) (1) Where the applicant for a grant under this section is a unit of general local government, it must demonstrate to the satisfaction of the Secretary that, taking into consideration the scope of its authority and responsibilities, it is adequately assuring that public facility projects and other land development or uses of public areawide or inter-jurisdictional significance are being, and will be, carried out in accord with areawide planning and programing meeting the requirements of subsection (b). In making this determination the Secretary shall give special consideration to whether the applicant is effectively assisting in, and conforming to, areawide planning and programing through (A) the location and scheduling of public facility projects, whether or not federally assisted; and (B) where appropriate, the establishment and consistent administration of zoning codes, subdivision regulations, and similar land-use and density controls.

(2) Where the applicant for a grant under this section is not a unit of general local government, both it and the unit of general local government having jurisdiction over the location of the project must meet the requirements of this subsection.

(d) In making the determinations required under this section, the Secretary shall obtain, and give full consideration to, the comments of the body or bodies (State or local) responsible for comprehensive planning and programing for the area.

(e) No grant shall be made under this section with respect to an areawide development project for which a Federal grant has been made, or a contract of assistance has been entered into, under the legislation referred to in paragraph (2) of section 208, prior to February 21, 1966, or more than one year prior to the date on which the Secretary has made the determinations required under this section with respect to the applicant and to the area in which the project is located: *Provided*, That in the case of a project for which a contract of assistance under the legislation referred to in paragraph (2) of section 208 has been entered into after June 30, 1967, no grant shall be made under this section unless an application for such grant has been made on or before the date of such contract.

(f) Nothing in this section shall authorize the Secretary to require (or condition the availability or amount of financial assistance authorized to be provided under this title upon) the adoption by any community of a program to achieve a racial balance or to eliminate racial imbalance within school districts.

EXTENT OF GRANT

SEC. 206. (a) A grant under section 205 shall not exceed (1) 20 per centum of the cost of the project for which the grant is made; nor (2) the Federal grant made with respect to the project under the legislation referred to in paragraph (2) of section 208. In no case shall the total Federal contributions to the cost of such project be more than 80 per centum. Notwithstanding any other provision of law, including requirements with respect to non-Federal contributions, grants under section 205 shall be eligible for inclusion (directly or through refunds or credits) as part of the financing for such projects: *Provided*, That projects or activities on the basis of which assistance is provided under section 1056(c)¹ shall not be eligible for assistance under section 205.

(b) There are authorized to be appropriated for grants under section 205 not to exceed \$25,000,000 for the fiscal year ending June 30, 1967, and not to exceed \$50,000,000 for the fiscal year ending June 30, 1968.² Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated³ may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970.

CONSULTATION AND CERTIFICATION

SEC. 207. In carrying out his authority under section 205, including the issuance of regulations, the Secretary shall consult with the Department of the Interior; the Department of Health, Education, and Welfare; the Department of Commerce; and the Federal Aviation Agency with respect to metropolitan development projects assisted by those departments and agencies; and he shall, for the purpose of section 206, accept their respective certifications as to the cost of those projects and the amount of the non-Federal contribution paid or to be paid to that cost.

DEFINITIONS

SEC. 208. As used in this title—

(1) "Areawide development" means all projects or programs for the acquisition, use, and development of open-space land; and the planning and construction of hospitals, libraries, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, transportation facilities, highways, water development and land conservation, and other public works facilities.

(2) "Areawide development project" means a project assisted or to be assisted under section 702 of the Housing and Urban Develop-

¹ Model cities programs.

² No appropriation has been made for grants under this program although requested for fiscal year 1967, 1968, and 1969.

³ Sec. 602(f), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 532, continued until July 1, 1970, the availability of unappropriated authorizations.

ment Act of 1965; title II of the Library Services and Construction Act; section 606 of the Public Health Service Act; section 8 of the Federal Water Pollution Control Act; section 120(a) of title 23, United States Code; section 12 of the Federal Airport Act; section 3 of the Urban Mass Transportation Act of 1964; title VII of the Housing Act of 1961; or section 5(e) of the Land and Water Conservation Fund Act of 1965; or under section 101(a)(1) of the Public Works and Economic Development Act of 1965 (for a project of a type which the Secretary determines to be eligible for assistance under any of the other provisions listed above).

(3) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of any of the foregoing.

(4) "Metropolitan area" means a standard metropolitan statistical area as established by the Bureau of the Budget, subject however to such modifications and extensions as the Secretary may determine to be appropriate for the purposes of this title.

(5) "Comprehensive planning" includes the following, to the extent directly related to area needs or needs of a unit of general local government: (A) preparation, as a guide for long-range development, of general physical plans with respect to the pattern and intensity of land use and the provision of public facilities, including transportation facilities; (B) programing of capital improvements based on a determination of relative urgency; (C) long-range fiscal plans for implementing such plans and programs; and (D) proposed regulatory and administrative measures which aid in achieving coordination of all related plans of the departments or subdivisions of the governments concerned and intergovernmental coordination of related planned activities among the State and local governmental agencies concerned.

(6) "Hospital" means any public health center or general, tuberculosis, mental, chronic disease, or other type of hospital and related facilities, such as laboratories, outpatient departments, nurses' home and training facilities, and central service facilities normally operated in connection with hospitals, but does not include any hospital furnishing primarily domiciliary care.

(7) "Areawide agency" means an official State or metropolitan, regional, or district agency empowered under State or local laws or under an interstate compact or agreement to perform comprehensive planning in an area; an organization of the type referred to in section 701(g) of the Housing Act of 1954; or such other agency or instrumentality as may be designated by the Governor (or, in the case of areas crossing State lines, any one or more of such agencies or instrumentalities as may be designed by the Governor of the States involved) to perform such planning.

(8) "Special purpose unit of local government" means any special district, public-purpose corporation, or other limited-purpose political subdivision of a State, but shall not include a school district.

(9) "Unit of general local government" means any city, county, town, parish, village, or other general-purpose political subdivision of a State.

(10) "Secretary" means the Secretary of Housing and Urban Development.

STATE LIMIT

Sec. 209. Grants made under section 205 for projects in any one State shall not exceed in the aggregate 15 per centum of the aggregate amount of funds authorized to be appropriated pursuant to section 206(b).

* * * * *

Approved November 3, 1966.



URBAN TRANSPORTATION

COOPERATION AND STUDIES WITH DEPARTMENT OF TRANSPORTATION

EXCERPTS FROM DEPARTMENT OF TRANSPORTATION ACT

[Public Law 89-670, 80 Stat. 931, 934; 49 U.S.C. 1653]

GENERAL PROVISIONS

SEC. 4. * * *

* * * * *

(f) The Secretary shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of this Act, the Secretary shall not approve any program or project which requires the use of any land from a public park, recreation area, wildlife and waterfowl refuge, or historic site unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

(g) The Secretary and the Secretary of Housing and Urban Development shall consult and exchange information regarding their respective transportation policies and activities; carry on joint planning, research and other activities; and coordinate assistance for local transportation projects. They shall jointly study how Federal policies and programs can assure that urban transportation systems most effectively serve both national transportation needs and the comprehensively planned development of urban areas. They shall, within 1 year after the effective date of this Act, and annually thereafter, report to the President, for submission to the Congress, on their studies and other activities under this subsection, including any legislative recommendations which they determine to be desirable. The Secretary and the Secretary of Housing and Urban Development shall study and report within 1 year after the effective date of this Act to the President and the Congress on the logical and efficient organization and location of urban mass transportation functions in the executive branch.

* * * * *

Approved October 15, 1966.

FEDERAL-AID HIGHWAYS

EXCERPTS FROM TITLE 23, UNITED STATES CODE

§ 134. Transportation planning in certain urban areas

(a) It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various

modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States, as authorized in this title in the development of long-range highway plans and programs which are properly coordinated with plans for improvements in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. After July 1, 1965, the Secretary shall not approve under section 105 of this title any program for projects in any urban area of more than fifty thousand population unless he finds that such projects are based on a continuing comprehensive transportation planning process carried on cooperatively by States and local communities in conformance with the objectives stated in this section. No highway project may be constructed in any urban area of fifty thousand population or more unless the responsible public officials of such urban area in which the project is located have been consulted and their views considered with respect to the corridor, the location and the design of the project.

(b) The Secretary may define those contiguous interstate areas of the Nation in which the movement of persons and goods between principal metropolitan areas, cities, and industrial centers has reached, or is expected to reach, a critical volume in relation to the capacity of existing and planned transportation systems to efficiently accommodate present transportation demands and future growth. After consultation with the Governors and responsible local officials of affected States, the Secretary may by regulation designate, for administrative and planning purposes, as a critical transportation region or a critical transportation corridor each of those areas which he determines most urgently require the accelerated development of transportation systems embracing various modes of transport, in accordance with purposes of this section. The Secretary shall immediately notify such Governors and local officials of such designation. The Secretary may, after consultation with the Governors and responsible local officials of the affected States, provide by regulation for the establishment of planning bodies to assist in the development of coordinated transportation planning, including highway planning, to meet the needs of such regions or corridors, composed of representatives of the affected States and metropolitan areas, and may provide assistance including financial assistance to such bodies. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed \$500,000 to carry out this subsection.

§ 138. Preservation of parklands

It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project which requires the use of any pub-

licly owned land from a public park, recreation area, or wildlife and water fowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

§ 307. Research and planning

(a) The Secretary is authorized in his discretion to engage in research on all phases of highway construction, modernization, development, design, maintenance, safety, financing, and traffic conditions, including the effect thereon of State laws and is authorized to test, develop, or assist in the testing and developing of any material, invention, patented article, or process. The Secretary may publish the results of such research. The Secretary may carry out the authority granted hereby, either independently, or in cooperation with any other branch of the Government, State agency, authority, association, institution, corporation (profit or nonprofit), or any other organization, or person. The Secretary is also authorized, acting independently or in cooperation with other Federal departments, agencies, or instrumentalities, to make grants for research fellowships for any purpose for which research is otherwise authorized by this section. The funds required to carry out the provisions of this subsection shall be taken out of the administrative and research funds authorized by section 104 of this title, funds authorized to carry out section 403 of this title, and such funds as may be deposited in a special account with the Secretary of the Treasury for such purposes by any cooperating organization or person. The provisions of section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), shall not be applicable to contracts or agreements made under the authority of this subsection.

(b) The Secretary shall include in the highway research program herein authorized studies of economic highway geometrics, structures, and desirable weight and size standards for vehicles using the public highways and of the feasibility of uniformity in State regulations with respect to such standards and he shall report from time to time to the Committees on Public Works of the Senate and of the House of Representatives on the progress and findings with respect to such studies. The highway research program herein authorized shall also include studies to identify and measure, quantitatively and qualitatively, those factors which relate to economic, social, environmental, and other impacts of highway projects.

(c) (1) Not to exceed $1\frac{1}{2}$ per centum of the sums apportioned for each fiscal year beginning with fiscal year 1974 to any State under section 104 of this title shall be available for expenditure upon request of the State highway department, with the approval of the Secretary, with or without State funds, for engineering and economic surveys and investigations; for the planning of future highway programs and local public transportation systems and for planning for the financing hereof; for studies of the economy, safety, and convenience of highway usage and the desirable regulation and equitable taxation thereof; and for research and development, necessary in connection with the

planning, design, construction, and maintenance of highways and highway systems, and the regulation and taxation of their use.

(2) One and one-half per centum of the sums apportioned for each fiscal year beginning with the fiscal year 1964 to any State under section 104 of this title shall be available for expenditure by the State highway department only for the purposes enumerated in paragraph (1) of this subsection.

(3) In addition to the percentage provided in paragraph (2) of this subsection, not to exceed one-half of one per centum of sums apportioned for each fiscal year beginning with the fiscal year 1964 under paragraphs (1), (2), and (3) of section 104(b) of this title shall be available for expenditure upon request of the State highway department for the purposes enumerated in paragraph (1) of this subsection, including demonstration projects in connection with such purposes.

(4) Sums made available under paragraphs (2) and (3) of this subsection shall be matched by the State in accordance with section 120 of this title unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

(d) As used in this section the term "safety" includes, but is not limited to, highway safety systems, research, and development relating to vehicle, highway, and driver characteristics, accident investigations, communications, emergency medical care, and transportation of the injured.

§ 1601. Declaration of findings and purposes

(a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this chapter are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by

public or private mass transportation companies as determined by local needs.

§ 1601a. Same; additional findings

The Congress finds that the rapid urbanization and the continued dispersal of population and activities within urban areas has made the ability of all citizens to move quickly and at a reasonable cost an urgent national problem; that it is imperative, if efficient, safe, and convenient transportation compatible with soundly planned urban areas is to be achieved, to continue and expand this chapter; and that success will require a Federal commitment for the expenditure of at least \$10,000,000,000 over a twelve-year period to permit confident and continuing local planning, and greater flexibility in program administration. It is the purpose of this Act to create a partnership which permits the local community, through Federal financial assistance, to exercise the initiative necessary to satisfy its urban mass transportation requirements.

§ 1606. Relocation program

(a) No financial assistance shall be extended to any project under section 1602 of this title unless the Secretary determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Repealed.

§ 1607. Coordination of Federal assistance for highways and for mass transportation facilities

In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways, the Secretary and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information on proposed projects in urban areas.

§ 1610. Environmental protection

(a) It is hereby declared to be the national policy that special effort shall be made to preserve the natural beauty of the countryside, public park and recreation lands, wildlife and waterfowl refuges, and important historical and cultural assets, in the planning, designing, and construction of urban mass transportation projects for which Federal assistance is provided pursuant to section 1602 of this title. In implementing this policy the Secretary shall cooperate and consult with the Secretaries of Agriculture, Health, Education, and Welfare, Housing and Urban Development, and Interior, and with the Council on Environmental Quality with regard to each project that may have a substantial impact on the environment.

(b) The Secretary shall review each transcript of hearing submitted pursuant to section 1602(d) of this title to assure that an ade-

quate opportunity was afforded for the presentation of views by a parties with a significant economic, social, or environmental interest and that the project application includes a detailed statement on—

- (1) the environmental impact of the proposed project,
- (2) any adverse environmental effects which cannot be avoided should the proposal be implemented,
- (3) alternatives to the proposed project, and
- (4) any irreversible and irretrievable impact on the environment which may be involved in the proposed project should it be implemented.

(c) The Secretary shall not approve any application for assistance under section 1602 of this title unless he finds in writing, after a full and complete review of the application and of any hearings held before the State or local public agency pursuant to section 1602(d) of this title, that (1) adequate opportunity was afforded for the presentation of views by all parties with a significant economic, social, or environmental interest, and fair consideration has been given to the preservation and enhancement of the environment and to the interest of the community in which the project is located, and (2) either no adverse environmental effect is likely to result from such project, or there exists no feasible and prudent alternative to such effect and all reasonable steps have been taken to minimize such effect. In any case in which a hearing has not been held before the State or local agency pursuant to section 1602(d) of this title, or in which the Secretary determines that the record of hearings before the State or local public agency is inadequate to permit him to make the findings required under the preceding sentence, he shall conduct hearings, after giving adequate notice to interested persons, on any environmental issues raised by such application. Findings of the Secretary under this subsection shall be made a matter of public record.

**§ 1612. Planning and design of mass transportation facilities to meet special needs of the elderly and the handicapped—
Congressional declaration of policy**

(a) It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation (including the programs under this chapter) should contain provisions implementing this policy.

**GRANTS AND LOANS FOR SPECIAL PROJECTS TO MEET THE NEEDS OF ELDERLY
AND HANDICAPPED PERSONS**

(b) In addition to the grants and loans otherwise provided for under this chapter, the Secretary is authorized to make grants and loans—

- (1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons,

with such grants and loans being subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under section 1602(a) of this title and being considered for the purposes of all other laws to have been made under such section; and

(2) to private nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)) as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 1603(c) of this title, 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

FINANCING OF RESEARCH, DEVELOPMENT AND DEMONSTRATION PROJECTS

(c) Of any amounts made available to finance research, development, and demonstration projects under section 1605 of this title after October 15, 1970, 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

DEFINITION

(d) For purposes of this chapter, the term "handicapped person" means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, is unable without special facilities or special planning or design to utilize mass transportation facilities and services as effectively as persons who are not so affected.

EXCERPTS FROM URBAN MASS TRANSPORTATION ASSISTANCE ACT OF 1970

[Public Law 91-453, 84 Stat. 968; 49 U.S.C. 1605 note]

SEC. 11. Nothing in this Act shall affect the authority of the Secretary of Housing and Urban Development to make grants, under the authority of sections 6(a), 9, and 11 of the Urban Mass Transportation Act of 1964 as amended (49 U.S.C. 1605a, 1607a, and 1607c), and Reorganization Plan Numbered 2 of 1968 for projects or activities primarily concerned with the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning in overall urban planning, out of funds appropriated to him for that purpose.

Approved October 15, 1970.

REORGANIZATION PLAN NO. 2 OF 1968¹

[33 Fed. Reg. 6965]

URBAN MASS TRANSPORTATION

SECTION 1. *Transfer of functions.* (a) There are hereby transferred to the Secretary of Transportation:

(1) The functions of the Secretary of Housing and Urban Development and the Department of Housing and Urban Development under the Urban Mass Transportation Act of 1964 (78 Stat. 302; 49 U.S.C. 1601-1611), except that there is reserved to the Secretary of Housing and Urban Development (i) the authority to make grants² for or undertake such projects or activities under section 6(a), 9, and 11 of that Act (49 U.S.C. 1605(a); 1607a; 1607c) as primarily concern the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning in overall urban planning, and (ii) so much of the functions under sections 3, 4, and 5 of the Act (49 U.S.C. 1602-1604) as will enable the Secretary of Housing and Urban Development (A) to advise and assist the Secretary of Transportation in making findings and determinations under clause (1) of section 3(c), the first sentence of section 4(a), and clause (1) of section 5 of the Act, and (B) to establish jointly with the Secretary of Transportation the criteria referred to in the first sentence of section 4(a) of the Act.

(2) Other functions of the Secretary of Housing and Urban Development, and functions of the Department of Housing and Urban Development or of any agency or officer thereof, all to the extent that they are incidental to or necessary for the performance of the functions transferred by section 1(a) (1) of this reorganization plan, including, to such extent, the functions of the Secretary of Housing and Urban Development and the Department of Housing and Urban Development under (i) title II of the Housing Amendments of 1955 (69 Stat. 642; 42 U.S.C. 1491-1497), insofar as functions thereunder involve assistance specifically authorized for mass transportation facilities or equipment, and (ii) title IV of the Housing and Urban Development Act of 1965 (79 Stat. 485; 42 U.S.C. 3071-3074).

(3) The functions of the Department of Housing and Urban Development under section 3(b) of the Act of November 6, 1966 (P.L. 89-774; 80 Stat. 1352; 40 U.S.C. 672(b)).

(b) Any reference in this reorganization plan to any provision of law shall be deemed to include, as may be appropriate, reference thereto as amended.

SEC. 2. *Delegation.* The Secretary of Transportation may delegate any of the functions transferred to him by this reorganization plan to such officers and employees of the Department of Transportation

¹ Effective June 30, 1968.

² Sec. 11, Urban Mass Transportation Assistance Act of 1970, Public Law 91-453, approved October 15, 1970, 84 Stat. 962, 968, provides that nothing in that Act "shall affect the authority of the Secretary of Housing and Urban Development to make grants under the authority of * * * Reorganization Plan No. 2 of 1968 for projects or activities primarily concerned with the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning, in overall urban planning, out of funds appropriated to him for that purpose."

as he designates, and may authorize successive redelegations of such functions.

SEC. 3. *Urban Mass Transportation Administration.* (a) There is hereby established within the Department of Transportation an Urban Mass Transportation Administration.

(b) The Urban Mass Transportation Administration shall be headed by an Urban Mass Transportation Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated¹ at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314). The Administrator shall perform such duties as the Secretary of Transportation shall prescribe and shall report directly to the Secretary.

SEC. 4. *Interim Administrator.* The President may authorize any person who immediately prior to the effective date of this reorganization plan holds a position in the executive branch of the government to act as Urban Mass Transportation Administrator until the office of Administrator is for the first time filled pursuant to the provisions of section 3(b) of this reorganization plan or by recess appointment, as the case may be. The person so designated shall be entitled to the compensation attached to the position he regularly holds.

SEC. 5. *Incidental transfers.* (a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, use, held, available, or to be made available in connection with the functions transferred to the Secretary of Transportation by this reorganization plan as the Director of the Bureau of the Budget shall determine shall be transferred from the Department of Housing and Urban Development to the Department of Transportation at such time or times as the Director shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 6. *Effective date.*² The provisions of this reorganization plan shall take effect at the close of June 30, 1968, or at the time determined under the provisions of section 906(a) of title 5 of the United States Code, whichever is later.

HIGH-SPEED GROUND TRANSPORTATION

EXCERPTS FROM TITLE 23, UNITED STATES CODE

§ 1631. Research and development

Consistent with the objective of promoting a safe, adequate, economical, and efficient national transportation system, the Secretary of Transportation (hereafter in this chapter referred to as the "Secretary") is authorized to undertake research and development in

¹ Sec. 7(d), Public Law 90-623, approved Oct. 22, 1968, 82 Stat. 1312, 1316, provides that this part of this sentence which relates to the compensation of the Urban Mass Transportation Administrator has no further effect.

² The Plan was effective June 30, 1968.

high-speed ground transportation and door-to-door ground transportation, including, but not limited to, components such as material aerodynamics, vehicle propulsion, vehicle control, communication and guideways.

§ 1632. Demonstrations

The Secretary is authorized to contract for demonstrations to determine the contributions that high-speed ground transportation and door-to-door ground transportation could make to more efficient, safe, and economical intercity transportation systems. Such demonstration shall be designed to measure and evaluate such factors as the public response to new equipment, higher speeds, variations in fares, improved comfort and convenience, and more frequent service. In connection with contracts for demonstrations under this section, the Secretary shall provide for financial participation by private industry to the maximum extent practicable.

§ 1639. Consultation and cooperation with other departments and agencies, institutions and private industry

In exercising the authority granted under this chapter, the Secretary shall consult and cooperate, as he deems appropriate, with the Secretary of Housing and Urban Development and other department and agencies, Federal, State, and local. The Secretary shall further consult and cooperate, as he deems appropriate, with institutions and private industry.

AVIATION FACILITIES EXPANSION AND IMPROVEMENT

EXCERPTS FROM TITLE 23, UNITED STATES CODE

§ 1713. Planning grants—Authorization to make grants

(a) In order to promote the effective location and development of airports and the development of an adequate national airport system plan, the Secretary may make grants of funds to planning agencies for airport system planning, and to public agencies for airport master planning.

AMOUNT AND APPORTIONMENT OF GRANTS

(b) The award of grants under subsection (a) of this section is subject to the following limitations:

(1) The total funds obligated for grants under this section may not exceed \$75,000,000 and the amount obligated in any one fiscal year may not exceed \$15,000,000.

(2) No grant under this section may exceed two-thirds of the cost incurred in the accomplishment of the project.

(3) No more than 7.5 per centum of the funds made available under this section in any fiscal year may be allocated for projects within a single State, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam. Grants for projects encompassing an area located in two or more States shall be charged to each State in the proportion which the number

of square miles the project encompasses in each State bears to the square miles encompassed by the entire project.

REGULATIONS; COORDINATION WITH SECRETARY OF HOUSING
AND URBAN DEVELOPMENT

(c) The Secretary may prescribe such regulations as he deems necessary governing the award and administration of grants authorized by this section. The Secretary and the Secretary of Housing and Urban Development shall develop jointly procedures designed to preclude duplication of their respective planning assistance activities and to insure that such activities are effectively coordinated.

URBAN AND COMMUNITY IMPACT ANALYSES

EXECUTIVE ORDER 12074

[43 Fed. Reg. 36875]

By the authority vested in me as President by the Constitution of the United States of America, and in order to establish an internal management procedure for identifying aspects of proposed Federal policies that may adversely impact cities, counties, and other communities, it is hereby ordered as follows:

1-1. *Urban and Community Impact Analyses.*

1-101. The Director of the Office of Management and Budget shall (a) develop criteria for identifying major policy proposals to be analyzed; (b) formulate standards regarding the content and form of impact analyses; and (c) establish procedures for the submission and review of such analyses.

1-102. The Director of the Office of Management and Budget and the Assistant to the President for Domestic Affairs and Policy shall review the analyses.

1-2. *Agency Responsibilities.*

1-201. Executive agencies shall prepare urban and community impact analyses for major policy initiatives identified by the Office of Management and Budget, the Assistant to the President for Domestic Affairs and Policy, or the agencies themselves.

1-202. Each Executive agency shall, to the extent permitted by law, cooperate with the Director of the Office of Management and Budget and the Assistant to the President for Domestic Affairs and Policy in the performance of their functions under this Order, furnish them with the information they request, and comply with the procedures prescribed pursuant to this Order.

JIMMY CARTER.

THE WHITE HOUSE, August 16, 1978.

INTERAGENCY COORDINATING COUNCIL

EXECUTIVE ORDER 12075

[43 Fed. Reg. 36877]

By the authority vested in me as President by the Constitution of the United States of America, and in order to provide for interagency coordination of the implementation of Federal urban and regional policy, it is hereby ordered as follows:

1. Establishment of the Council.

1-101. There is established the Interagency Coordinating Council.

1-102. The Council shall be composed of the heads of the following agencies, or a designated representative, and such others as the President may designate:

- (a) Department of the Treasury
- (b) Department of Justice
- (c) Department of the Interior
- (d) Department of Agriculture
- (e) Department of Commerce
- (f) Department of Labor
- (g) Department of Health, Education, and Welfare
- (h) Department of Housing and Urban Development
- (i) Department of Transportation
- (j) Department of Energy
- (k) Environmental Protection Agency
- (l) Community Services Administration
- (m) General Services Administration
- (n) Small Business Administration
- (o) ACTION

1-103. The President shall designate the Chairperson of the Council.

2. Functions of the Council.

1-201. The Council shall work with Executive agencies to involve all sectors of the Nation, including State, county and local governments, regional bodies, the private sector, neighborhood groups, and volunteer and civic associations, in a partnership to conserve and strengthen America's communities.

1-202. The Council shall facilitate cooperation and coordination of urban and regional policy implementation among and between Executive agencies.

1-203. The Council shall assist Executive agencies in coordinating timely responses to State, county and local government and community development strategies.

1-204. The Council shall identify and seek to solve interagency and intergovernmental problems which impede the effective functioning of the Federal system.

1-205. The functions of the Council shall neither substitute for nor replace Executive Office of the President clearance, review and decisionmaking procedures.

3. Administrative Provisions.

1-301. Executive agencies shall cooperate with and assist the Council in performing its functions.

1-302. The Chairperson shall be responsible for providing the Council with such administrative services or support as may be necessary or appropriate.

INTERAGENCY COORDINATING COUNCIL

1-303. The Chairperson may establish working groups or subcommittees of the Council. The Chairman may invite representatives of nonmember agencies to participate from time to time in the functions of the Council.

1-304. The Chairperson shall report to the President on the performance of the Council's functions.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1978.*

COMMUNITY DEVELOPMENT ASSISTANCE

EXCERPT FROM HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

[Public Law 95-128, 91 Stat. 1111, 42 U.S.C. 5301]

* * * * *

TITLE I—COMMUNITY DEVELOPMENT

* * * * *

EFFECTIVE DATE

SEC. 114. The amendments made by this title shall become effective October 1, 1977.

* * * * *

Approved October 12, 1977.

EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

[Public Law 93-383, 88 Stat. 633]

AN ACT To establish a program of community development block grants, to amend and extend laws relating to housing and urban development, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing and Community Development Act of 1974".

TITLE I—COMMUNITY DEVELOPMENT

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

(1) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities; and

(2) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment.

(b) The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

(1) systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;

(2) substantial expansion of and greater continuity in the scope and level of Federal assistance, together with increased private investment in support of community development activities; and

(3) continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts.

(c) The primary objective of this title is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, the Federal assistance provided in this title is for the support of community development activities which are directed toward the following specific objectives—

(1) the elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;

(2) the elimination of conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;

(3) the conservation and expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;

(4) the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;

(5) a more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;

(6) the reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods to attract persons of higher income;

(7) the restoration and preservation of properties of special value for historic, architectural, or esthetic reasons; and

(8) the alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration or a stagnating or declining tax base.¹

¹ Sec. 101(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, 91 Stat. 711, inserted new subsection (c) (8).

It is the intent of Congress that the Federal assistance made available under this title not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

(d) It is also the purpose of this title to further the development of a national urban growth policy by consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs into a consistent system of Federal aid which—

(1) provides assistance on an annual basis, with maximum certainty and minimum delay, upon which communities can rely in their planning;

(2) encourages community development activities which are consistent with comprehensive local and areawide development planning;

(3) further achievement of the national housing goal of a decent home and a suitable living environment for every American family; and

(4) fosters the undertaking of housing and community development activities in a coordinated and mutually supportive manner by Federal agencies and programs, as well as by communities.¹

DEFINITIONS

SEC. 102. (a) As used in this title—

(1) The term “unit of general local government” means any city, county, town, township, parish, village, or other general purpose political subdivision of a State; Guam, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions recognized by the Secretary; the District of Columbia; and the Trust Territory of the Pacific Islands.² Such term also includes a State or a local public body or agency (as defined in section 711 of the Housing and Urban Development Act of 1970), community association, or other entity, which is approved by the Secretary for the purpose of providing public facilities or services to a new community as part of a program meeting the eligibility standards of section 712 of the Housing and Urban Development Act of 1970 or title IV of the Housing and Urban Development Act of 1968.

(2) The term “State” means any State of the United States, or any instrumentality thereof approved by the Governor; and the Commonwealth of Puerto Rico.

(3) The term “metropolitan area” means a standard metropolitan statistical area as established by the Office of Management and Budget.

(4) The term “metropolitan city” means (A) a city within a metropolitan area which is the central city of such area, as defined and used by the Office of Management and Budget, or (B) any other city, within a metropolitan area, which has a population of fifty thousand or more; except that any city which has been classified as a metropolitan city under clause (B) of this paragraph shall continue to be so classified until the decennial census

¹ Amended by section 101(b) of the Housing and Community Development Act of 1977. Public Law 95-128, approved October 12, 1977, 91 Stat. 1111, to read as set forth in the text.

² Amended by section 102(a) of the Housing and Community Development Act of 1977. Public Law 95-128, approved October 12, 1977, 91 Stat. 1111, to read as set forth in the text.

indicates that the population of such city is less than fifty thousand.¹

(5) The term "city" means (A) any unit of general local government which is classified as a municipality by the United States Bureau of the Census or (B) any other unit of general local government which is a town or township and which, in the determination of the Secretary, (i) possesses powers and performs functions comparable to those associated with municipalities, (ii) is closely settled, and (iii) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census which have not entered into cooperation agreements with such town or township to undertake or to assist in the undertaking of essential community development and housing assistance activities.¹

(6) The term "urban county" means any county within a metropolitan area which (A) is authorized under State law to undertake essential community development and housing assistance activities in its unincorporated areas, if any, which are not units of general local government, and either² (B) has a combined population of two hundred thousand or more (excluding the population of metropolitan cities therein) in such unincorporated areas and in its included units of general local government (i) in which it has authority to undertake essential community development and housing assistance activities and which do not elect to have their population excluded or (ii) with which it has entered into cooperation agreements to undertake or to assist in the undertaking of essential community development and housing assistance activities, or (C) has a population in excess of one hundred thousand, a population density of at least five thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census.²

(7) The term "population" means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(8) The term "extent of poverty" means the number of persons whose incomes are below the poverty level. Poverty levels shall be determined by the Secretary pursuant to criteria provided by the Office of Management and Budget, taking into account and making adjustments, if feasible and appropriate and in the sole discretion of the Secretary, for regional or area variations in income and cost of living, and shall be based on data referable to the same point or period in time.

(9) The term "extent of housing overcrowding" means the number of housing units with 1.01 or more persons per room based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(10)³ The term "age of housing" means the number of existing housing units constructed in 1939 or earlier based on data com-

¹ Amended by section 102(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, 91 Stat. 1111, to read as set forth in the text.

² Sec. 102(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended paragraph (6) as set forth in the text.

³ The Housing and Community Development Act 1977, Public Law 95-128, approved October 12, 1977, redesignated paragraphs (10), (11), (12), and (13) as paragraphs (17), (18), (19) and (20); and inserted after paragraph (9) new paragraphs (10), (11), (12), (13), (14), (15), and (16).

piled by the United States Bureau of the Census and referable to the same point or period in time.

(11)¹ The term "extent of growth lag" means the number of persons who would have been residents in a metropolitan city or urban county, in excess of the current population of such metropolitan city or urban county, if such metropolitan city or urban county had had a population growth rate between 1960 and the date of the most recent population count referable to the same point or period in time equal to the population growth rate for such period of all metropolitan cities.

(12)¹ The term "housing stock" means the number of existing housing units based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(13)¹ The term "adjustment factor" means the ratio between the age of housing in the metropolitan city or urban county and the predicted age of housing in such city or county.

(14)¹ The term "predicted age of housing" means the arithmetic product of the housing stock in the metropolitan city or urban county multiplied times the ratio between the age of housing in all metropolitan areas and the housing stock in all metropolitan areas.

(15)¹ The term "adjusted age of housing" means the arithmetic product of the age of housing in the metropolitan city or urban county multiplied times the adjustment factor.

(16)¹ The term "Indian tribe" means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village, of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) or under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512).

(17)¹ The term "Federal grant-in-aid program" means a program of Federal financial assistance other than loans and other than the assistance provided by this title.

(18)¹ The term "program period" means the period beginning January 1, 1975, and ending June 30, 1975, and the period covering each fiscal year² thereafter.

(19)¹ The term "Community Development Program" means a program described in section 104(a)(2).

(20)¹ The term "Secretary" means the Secretary of Housing and Urban Development.

(b) Where appropriate, the definitions in subsection (a) shall be based, with respect to any fiscal year, on the most recent data compiled by the United States Bureau of the Census and the latest published reports of the Office of Management and Budget available ninety

¹ The Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, redesignated paragraphs (10), (11), (12), and (13) as paragraphs (17), (18), (19), and (20); and inserted after paragraph (9) new paragraphs (10), (11), (12), (13), (14), (15), and (16).

² Sec. 201(37) of the Fiscal Year Transition Act, Public Law 94-274, 90 Stat. 383, approved April 21, 1976, provides for treatment of the transition quarter period between July 1, 1976, through September 30, 1976, as a fiscal year.

days prior to the beginning of such fiscal year. The Secretary may by regulation change or otherwise modify the meaning of the terms defined in subsection (a) in order to reflect any technical change or modification thereof made subsequent to such date by the United States Bureau of the Census or the Office of Management and Budget.

(c) One or more public agencies, including existing local public agencies, may be designated by the chief executive officer of a State or a unit of general local government to undertake a Community Development Program in whole or in part.

(d) An urban county designated under subsection (a) (6) (B) (i) of this section shall notify, prior to a date set by the Secretary for each year, all incorporated units of general local government the populations of which are included in the population of such urban county for purposes of this section of their opportunity to exclude their population from such urban county. Any unit of general local government which has not elected to have its population so excluded shall have its population included within the population of such urban county for purposes of this section until it, on its own initiative, elects to exclude its population by notifying the urban county on or before a date set by the Secretary.¹

AUTHORIZATION TO MAKE GRANTS

SEC. 103. (a) (1) The Secretary is authorized to make grants to States and units of general local government and Indian tribes² to help finance Community Development Programs approved in accordance with the provisions of this title.

There are authorized to be appropriated for these purposes not to exceed \$3,500,000,000 for the fiscal year 1978, not to exceed \$3,650,000,000 for the fiscal year 1979, and not to exceed \$3,800,000,000 for the fiscal year 1980. Any amount authorized for any fiscal year under this section but not appropriated for such year may be appropriated for any succeeding fiscal year.³

(2) Of the amounts approved in appropriations Acts pursuant to paragraph (1), \$50,000,000 for each of the fiscal years 1975 and 1976

¹ The Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 102 of the Housing and Community Development Act of 1974 by adding paragraph (d).

² The Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 103(a) (1) of the Housing and Community Development Act of 1974, to include Indian tribes as being eligible to receive grants to finance community development programs.

³ Sec. 103(a) (1) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 103(a) (1) striking everything after the first sentence which reads as follows: "The Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating such sum, not to exceed \$8,400,000,000, as may be approved in an appropriation Act. The amount so approved shall become available for obligation on January 1, 1975, and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligations incurred under this subsection not to exceed \$2,500,000,000 prior to the close of the fiscal year 1976, which amount may be increased to not to exceed an aggregate of \$5,450,000,000 prior to the close of the fiscal year 1976, and to not to exceed an aggregate of \$8,400,000,000 prior to the close of the fiscal year 1977. Subject to the limitations contained in the preceding sentence, appropriations for—

(A) grants under title VII of the Housing Act of 1961;

(B) grants under sections 702 and 703 of Housing and Urban Development Act of 1965; and

(C) supplemental grants under title I of the Demonstration Cities and Metropolitan Development Act of 1966, may be used, to the extent not otherwise obligated prior to January 1, 1975, for the liquidation of contracts entered into pursuant to this section"; and inserting in lieu thereof the material as set forth in the text.

\$200,000,000 for the fiscal year 1977 (not more than 50 per centum of which amount may be used under section 106(d)(1)), \$350,000,000 for the fiscal year 1978 (of which not more than \$175,000,000 may be used under such section), \$265,000,000 for the fiscal year 1979 (of which not more than \$25,000,000 may be used under such section), and \$250,000,000 for the fiscal year 1980 (none of which may be used under such section) shall be added to the amount available for allocation under section 106(d) and shall not be subject to the provisions of section 107.¹

(b) In addition to the amounts made available under subsection (a), and for the purpose of facilitating an orderly transition to the program authorized under this title, there are authorize to be appropriated not to exceed \$50,000,000 for each of the fiscal years 1975 and 1976, and not to exceed \$100,000,000 for each of the fiscal years 1977, 1978, 1979 and 1980,² for grants under this title for the financial settlement and, to the extent feasible, the completion of projects and programs assisted under the categorical programs terminated in section 116(a), primarily urban renewal projects assisted under the Housing Act of 1949, to units of general local government which require supplemental assistance which cannot be provided;³ through the operation of the allocation provisions of section 106. No funds shall be made available under this subsection (1) for fiscal year 1978 unless the amount appropriated under subsection (a) for fiscal year 1978 is at least \$3,500,000,000; (2) for fiscal year 1979 unless the amount appropriated under subsection (a) for fiscal year 1979 is at least \$3,650,000,000; or (3) for fiscal year 1980 unless the amount appropriated under subsection (a) for fiscal year 1980 is at least \$3,800,000,000.³

(c)⁴ There is authorized to be appropriated a sum not in excess of \$400,000,000 for supplemental grant assistance under section 119 for each of the fiscal years 1978, 1979, and 1980, except that no funds shall be made available for such purpose (1) for fiscal year 1978 unless the amount appropriated under subsections (a) and (b) for fiscal year 1978 is at least \$3,600,000,000; (2) for fiscal year 1979 unless the amount appropriated under subsections (a) and (b) for fiscal year 1979 is at least \$3,750,000,000; or (3) for fiscal year 1980 unless the amount appropriated under subsections (a) and (b) for fiscal year 1980 is at least \$3,900,000,000.

(d)⁴ Sums appropriated pursuant to this section shall remain available until expended.

(e)⁴ To assure program continuity and orderly planning, the Secretary shall submit to the Congress timely requests for additional authorizations for the fiscal years 1978 through 1980.

¹ Sec. 103(a)(2) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 103(a)(2) by deleting the following: "Of the amounts approved in appropriation Acts pursuant to paragraph (1) \$50,000,000 for each of the fiscal years 1975 and 1976, and \$200,000,000 for the fiscal year 1977, not more than 50 per centum of which amount may be used under section 106(d)(1), shall be added to the amount available for allocation under section 106(d) and shall not be subject to the provisions of section 107"; and inserting in lieu of the material as set forth in the text.

² Sec. 103(d)(1) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 103(b) by deleting "for the fiscal year 1977"; and inserting in lieu thereof the material as set forth in the text.

³ Secs. 103(d)(2) and (d)(3) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 103(b) to read as set forth in the text.

⁴ Sec. 103(e) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 103 by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by adding a new subsection (c).

APPLICATION AND REVIEW REQUIREMENTS

SEC. 104. (a) No grant may be made pursuant to section 106 or section 119¹ unless an application shall have been submitted to the Secretary in which the applicant—

(1) sets forth a summary of a three-year community development plan which identifies community development and housing² needs, demonstrates a comprehensive strategy for meeting those needs, and specifies both short- and long-term community development objectives which have been developed in accordance with areawide development planning and national urban growth policies;

(2) formulates a program which (A) includes the activities to be undertaken to meet its community development needs and objectives, together with the estimated costs and general location of such activities, (B) indicates resources other than those provided under this title which are expected to be made available toward meeting its identified needs, including activities, designed to revitalize neighborhoods for the benefit of low- and moderate-income persons,³ and objectives, and (C) takes into account appropriate environmental factors;

(3) describes a program designed to—

(A) eliminate or prevent slums, blight, and deterioration where such conditions or needs exist;⁴

(B) provide improved community facilities and public improvements, including the provision of supporting health, social, and similar services where necessary and appropriate; and in a manner to insure fully opportunity for participation by, and benefits to, the handicapped; and⁴

(C)⁵ improve conditions for low- and moderate-income persons residing in or expected to reside in the community as a result of existing or projected employment opportunities in the community (and those elderly persons residing in or expected to reside in the community), or as estimated in a community accepted State or regional housing opportunity plan approved by the Secretary⁶ and foster neighborhood development in order to induce higher-income persons to remain in, or return to, the community;

(4)⁷ submits a housing assistance plan which—

(A) accurately surveys the condition of the housing stock in the community and assesses the housing assistance needs of lower-income persons (including elderly and handicapped persons, large families, owners of homes requiring rehabilitation assistance⁸ and persons displaced or to be displaced) re-

¹ Sec. 110(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, inserted "or section 119".

² Sec. 104(a)(1) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(a)(1) by inserting "and housing".

³ Sec. 104(a)(2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(a)(2) as set forth in the text.

⁴ Sec. 104(a)(3) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(a)(3) as set forth in the text.

⁵ Section 104(a)(3) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, added subparagraph (C).

⁶ Sec. 103(c) of the Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978), amended this section to read as set forth in the text.

⁷ Sec. 104(a)(4) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(a)(4) to read as set forth in the text.

⁸ Sec. 103(a) of the Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978), amended Section 104(a)(4)(A) as set forth in the text.

siding in or expected to reside in the community as a result of existing or projected employment opportunities in the community (and those elderly persons residing in or expected to reside in the community), or as estimated in a community accepted State or regional housing opportunity plan approved by the Secretary,¹ and identifies housing stock which is in a deteriorated condition.

(B) specifies a realistic annual goal for the number of dwelling units or lower-income persons to be assisted, including (i) the relative proportion of new, rehabilitated, and existing dwelling units, including existing rental and owner occupied dwelling units to be upgraded and thereby preserved² (ii) the sizes and types of housing projects and assistance best suited to the needs of lower-income persons in the community, and (iii) in the case of subsidized rehabilitation, adequate provisions to assure that a preponderance of persons assisted should be of low- and moderate-income, and

(C) indicates the general locations of proposed housing for lower-income persons, with the objective of (i) furthering the revitalization of the community, including the restoration and rehabilitation of stable neighborhoods to the maximum extent possible, and the reclamation of the housing stock where feasible through the use of a broad range of techniques for housing restoration by local government, the private sector, or community organizations, including provision of a reasonable opportunity for tenants displaced as a result of such activities to relocate in their immediate neighborhood, (ii) promoting greater choice of housing opportunities and avoiding undue concentrations of assisted persons in areas containing a high proportion of low-income persons, and (iii) assuring the availability of public facilities and services adequate to serve proposed housing projects;

(5) provides satisfactory assurances that the program will be conducted and administered in conformity with Public Law 88-352 and Public Law 90-284; and

(6)³ provides satisfactory assurances that, prior to submission of its application, it has (A) prepared and followed a written citizen participation plan which provides citizens an opportunity to participate in the development of the application, encourages the submission of views and proposals, particularly by residents of blighted neighborhoods and citizens of low- and moderate-income, provides for timely responses to the proposals submitted, and schedules hearings at times and locations which permit broad participation; (B) provided citizens with adequate information concerning the amount of funds available for proposed community development activities and housing activities, the range of activities that may be undertaken, and other important require-

¹ Sec. 103(c) of the Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978), amended Section 104(a)(4)(A) as set forth in the text.

² Amended by Housing and Community Development Amendments of 1978, Section 103(b), Public Law 95-557, 92 Stat. 2080 (1978).

³ Sec. 104(a)(5) of the Housing and Community Development Act of 1977, approved October 12, 1977, amended section 104(a) by rewriting paragraph (6) as set forth in the text.

ments; (C) held public hearings to obtain the views of citizens on community development and housing needs; and (D) provided citizens with an opportunity to submit comments concerning the community development performance of the applicant; but nothing in this paragraph shall be construed to restrict the responsibility and authority of the applicant for the development of the application and the execution of its community development program.

(b) (1) Not more than 10 per centum of the estimated costs referred to in subsection (a) (2) which are to be incurred during any contract period may be designated for unspecified local option activities which are eligible for assistance under section 105(a) or for a contingency account for activities designated by the applicant pursuant to subsection (a) (2).

(2) Any grant under this title shall be made only on condition that the applicant certify to the satisfaction of the Secretary that its Community Development Program has been developed so as to give maximum feasible priority to activities which will benefit low- and ¹ moderate-income families or aid in the prevention or elimination of slums or blight. The Secretary may also approve an application describing activities which the applicant certifies and the Secretary determines are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.²

(3) The Secretary may waive all or part of the requirements contained in paragraphs (1), (2), and (3) of subsection (a) if (A) the application for assistance is in behalf of a locality having a population of less than 25,000 according to the most recent data compiled by the Bureau of the Census which is located either (i) outside a standard metropolitan statistical area, or (ii) inside such an area but outside an "urbanized area" as defined by the Bureau of the Census (or as such definition is modified by the Secretary for purposes of this title), (B) the application does not involve a comprehensive community development program, as determined by the Secretary, and ³ (C) the Secretary determines that, having regard to the nature of the activity to be carried out, such waiver is not inconsistent with the purposes of this title.⁴

(4) The Secretary may accept a certification from the applicant that it has complied with the requirements of paragraphs (5) and (6) of subsection (a).

(c) The Secretary shall approve an application for an amount which does not exceed the amount determined in accordance with section 106(a) unless—

¹ Sec. 104(b) (1) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(b) (2) by deleting "or" and inserting in lieu thereof "and".

² Sec. 104(b) (2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(b) (2) by rewriting the last sentence.

³ Sec. 104(c) (1) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(b) (3) by deleting clauses (B) and (C) and inserting in lieu thereof a new clause (B) to read as set forth in the text.

⁴ Sec. 104(c) (2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(b) (3) by redesignating clause (D) as clause (C).

(1) on the basis of significant facts and data, generally available and pertaining to community and housing needs and objectives, the Secretary determines that the applicant's description of such needs and objectives is plainly inconsistent with such facts or data; or

(2) on the basis of the application, the Secretary determines that the activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant pursuant to subsection (a); or

(3) the Secretary determines that the application does not comply with the requirements of this title with specific regard to the primary purposes of principally benefiting persons of low- and moderate-income or aiding in the prevention or elimination of slums or blight or meeting other community development needs having a particular urgency,¹ or other applicable law or proposes activities which are ineligible under this title. The Secretary may not disapprove an application on the basis that such application addresses any one of the primary purposes described in paragraph (3) to a greater or lesser degree than any other, except that such application may be disapproved if the Secretary determines that the extent to which a primary purpose is addressed is plainly inappropriate to meeting the needs and objectives which are consistent with the community's efforts to achieve the primary objective of this title.²

(d) Prior to the beginning of fiscal year 1977 and each fiscal year hereafter, each grantee shall submit to the Secretary a performance report concerning the activities carried out pursuant to this title, together with an assessment by the grantee of the relationship of those activities to the objectives of this title and the needs and objectives identified in the grantee's statement submitted pursuant to subsection (a). The performance report shall include any citizen comments submitted pursuant to subsection (a)(6)(D) and the Secretary shall consider such comments, together with the views of other citizens and such other information as may be available, in carrying out the provisions of this subsection.² The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the grantee has carried out a program substantially as described in its application, whether that program conformed to the requirements of this title and other applicable laws, and whether the applicant has a continuing capacity to carry out in a timely manner the approved Community Development Program. The Secretary may make appropriate adjustments in the amount of the annual grants in accordance with his findings pursuant to this subsection. With respect to grants made pursuant to sections 106(d)(2) and 106(f)(1)(B), the Secretary may adjust, reduce, or withdraw grant funds, or take other action as appropriate in accordance with such reviews and audits, except that funds already

¹ Sec. 104(d) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(c)(3) to read as set forth in the text.

² The last sentence was added by Sec. 103(d), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978).

³ Sec. 104(e)(1) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(d) by inserting this last sentence.

expended on eligible activities under this title shall not be recaptured or deducted from future grants made to the recipient.¹

(e) No grant may be made under this title unless the application therefor has been submitted for review and comment to an area-wide agency under procedures established by the President pursuant to title II of the Demonstration Cities and Metropolitan Development Act of 1966 and title IV of the Intergovernmental Cooperation Act of 1968. In addition, the Secretary may provide an opportunity for the State, in which a grant is to be made to a unit of general local government under section 106(d)(2) or 106(f)(1)(B), to participate in the selection process for funding such grants. Such participation may include, as determined practicable by the Secretary, the incorporation of State growth and resource coordination policies in funding decisions on such grants, or such other arrangements, excluding administration of the grants referred to in the preceding sentence, as the Secretary deems appropriate.²

(f) An application subject to subsection (c), if submitted after any date established by the Secretary for consideration of applications, shall be deemed approved within 75 days after receipt unless the Secretary informs the applicant of specific reasons for disapproval. Subsequent to approval of the application, the amount of the grant may be adjusted in accordance with the provisions of this title.

(g) Insofar as they relate to funds provided under this title, the financial transactions of recipients of such funds may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

(h)(1) In order to assure that the policies of the National Environmental Policy Act of 1969 are most effectively implemented in connection with the expenditure of funds under this title, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to applicants who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act that would apply to the Secretary were he to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality.

(2) The Secretary shall approve the release of funds for projects subject to the procedures authorized by this subsection only if, at least fifteen days prior to such approval and prior to any commitment of funds to such projects other than for purposes authorized by section 105(a)(12) or for environmental studies, the applicant has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of paragraph (3). The Secretary's approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act insofar as

¹ Sec. 104(e)(2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(d) by adding the last sentence set forth in the text.

² Sec. 104(f) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104(e) by adding this sentence.

hose responsibilities relate to the applications and releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(3) A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary,

(B) be executed by the chief executive officer or other officer of the applicant qualified under regulations of the Secretary,

(C) specify that the applicant has fully carried out its responsibilities as described under paragraph (1) of this subsection, and

(D) specify that the certifying officer (i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 insofar as the provisions of such Act apply pursuant to paragraph (1) of this subsection, and (ii) is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

(i) ¹(1) The Secretary shall, in making funds available to the recipients of grants under this title, permit any such recipient to receive funds, in one payment, in an amount not to exceed the total amount designated in the recipient's application, and approved by the Secretary pursuant to this section, for use by the recipient for establishing a revolving loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities that are part of the recipient's community development program. The Secretary may, as a condition of making such payment, require that the revolving loan fund be utilized for the making of loans to finance rehabilitation activities in a manner consistent with this title. Rehabilitation activities authorized under this section shall begin within forty-five days after the Secretary has made such payment.

(2) The Secretary shall establish standards for such cash payments which will insure that the deposits result in appropriate benefits in support of the recipient's rehabilitation program. These standards shall be designed to assure that the benefits to be derived from the local program include, at a minimum, one or more of the following elements, or such other criteria as determined by the Secretary—

(A) leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in amounts substantially in excess of deposits of community development funds;

(B) commitment of private funds for rehabilitation loans at below-market interest rates or with repayment periods lengthened or at higher risk than would normally be taken;

(C) provision of administrative services in support of the rehabilitation program by the participating lending institutions; and

(D) interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program.

At the time of application, the Secretary shall review and approve all agreements with lending institutions which receive funds for community rehabilitation programs. Such approval shall be made on a case-by-case basis, and upon a determination by the Secretary that the agreement with the lending institution meets minimum benefit standards as listed in this paragraph.

¹Sec. 104(g) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 104 by adding subsection (i).

COMMUNITY DEVELOPMENT PROGRAM ACTIVITIES ELIGIBLE FOR ASSISTANCE

SEC. 105. (a) A Community Development Program assisted under this title shall consist of activities which assist in carrying out a comprehensive strategy for meeting the community development and housing needs and priorities identified pursuant to section 104, giving primary attention to activities benefitting low- and moderate-income persons and neighborhoods, aiding in the prevention of elimination of slums or blight, or meeting other community development needs having a particular urgency. These activities¹ may include only—

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works facilities, and improvements eligible for assistance under this title; or (E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements—including neighborhood facilities, centers for the handicapped,² senior centers, historic properties, utilities, streets, street lights, water and sewer facilities, foundations and platforms for air rights sites, pedestrian malls and walkways, and parks, playgrounds, and recreation facilities, flood and drainage facilities in cases where assistance for such facilities under other Federal laws or programs is determined to be unavailable, and parking facilities, solid waste disposal facilities, and fire protection services and facilities which are located in or which serve designated community development areas;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public improvements and services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, and rehabilitation of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, of privately owned properties);³

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced

¹ Sec. 105(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 105(a) as set forth in the text.

² Sec. 15(b) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended section 105(a) (2) of the Housing and Community Development Act of 1974 by inserting "centers for the handicapped," immediately after "neighborhood facilities".

³ Sec. 105(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended the parenthetical expression in section 105(a) (4) to read as set forth in the text.

by program activities under this title;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this title or its retention for public purposes;

(8) provision of public services not otherwise available in areas where other activities assisted under this title are being carried out in a concentrated manner, if such services are determined to be necessary or appropriate to support such other activities and if assistance in providing or securing such services under other applicable Federal laws or programs has been applied for and denied or not made available within a reasonable period of time, and if such services are directed toward (A) improving the community's public services and facilities, including those concerned with the employment, crime prevention, child care, health, drug abuse, education, welfare, or recreation needs of persons residing in such areas, and (B) coordinating public and private development programs, and if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of application submission for funds which are to be made available under this title, and which are to be utilized for such services, unless the Secretary finds that the discontinuation of such services was the results of events not within the control of the applicant.¹

(9) payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of the Community Development Program;

(10) payment of the cost of completing a project funded under title I of the Housing Act of 1949;

(11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate to the community development program;²

(12) activities necessary (A) to develop a comprehensive community development plan, and (B) to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;¹

(13) payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities; and¹

¹ Sec. 105(d) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 105(a) to read as set forth in the text.

² Section 105(a)(11) was amended to read as set forth in the text by Section 103(e), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978).

¹ (14) activities which are carried out by public or private non-profit entities when such activities are necessary or appropriate to meeting the needs and objectives of the community development plan described in section 104(a)(1), including (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (i) public facilities, site improvements, and utilities, and (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and (C) planning; and

¹ (15) grants to neighborhood-based nonprofit organizations local development corporations, or entities organized under section 301(d) of the Small Business Investment Act of 1958 to carry out a neighborhood revitalization or community economic development project in furtherance of the objectives of section 101(c).

(b) Upon the request of the recipient of a grant under this title, the Secretary may agree to perform administrative services on a reimbursable basis on behalf of such recipient in connection with loans or grants for the rehabilitation of properties as authorized under subsection (a)(4).

ALLOCATION AND DISTRIBUTION OF FUNDS

SEC. 106. (a) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a)(2) and 107), 80 per centum shall be allocated by the Secretary to metropolitan areas. Except as provided in subsections (c) and (e), each metropolitan city and urban county shall, subject to the provisions of section 104 and except as otherwise specifically authorized, be entitled to annual grants from such allocation in an aggregate amount not exceeding the greater of its basic amount computed pursuant to paragraph (1) or (2)² of subsection (b) or its hold-harmless amount computed pursuant to subsection (g).

(b)(1) The Secretary shall determine the amount to be allocated to each metropolitan city which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

(A) the average of the ratios between—

(i) the population of that city and the population of all metropolitan areas;

(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

(iii) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan areas;

or

(B) the average of the ratios between—

(i) the extent of growth lag in that city and the extent of growth lag in all metropolitan cities;

¹ Sec. 105(d) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 105(a) by adding new paragraphs (14) and (15).

² Sec. 106(a) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(a) by deleting "(2) or (3)" and inserting in lieu thereof "(1) or (2)".

- (ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and
- (iii) the age of housing in that city and the age of housing in all metropolitan areas.

(2) The Secretary shall determine the amount to be allocated to each urban county, which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

(A) the average of the ratios between—

- (i) the population of that urban county and the population of all metropolitan areas;
- (ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and
- (iii) the extent of housing overcrowding in all metropolitan areas; or

(B) the average of the ratios between—

- (i) the extent of growth lag in that urban county and the extent of growth lag in all metropolitan cities and urban counties;
- (ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and
- (iii) the age of housing in that urban county and the age of housing in all metropolitan areas.

(3) In determining the average of ratios under paragraphs (1) (A) and (2) (A), ratio involving the extent of poverty shall be counted twice, and each of the other ratios shall be counted once; and in determining the average of ratios under paragraphs (1) (B) and (2) (B), the ratio involving the extent of growth lag shall be counted once, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving the age of housing shall be counted two and one-half times.¹

(4) In computing amounts or exclusions under this section with respect to any urban county there shall be excluded units of general local government located in the county (A) which are entitled to² hold-harmless grants pursuant to subsection (h), or (B) the populations of which are not counted in determining the eligibility of the urban county to receive a grant under this subsection.

(c) With respect to funds approved for distribution to a metropolitan city or urban county under this section during fiscal years 1975, 1976, and 1977³ the basic grant amount of such city or county as computed under subsection (b) shall be adjusted only for such funds approved for distribution in fiscal years 1975, 1976, and 1977⁴ as provided in this subsection if the amount so computed for the first such year exceeds the city's or county's hold-harmless amount as determined under subsection (g). Such adjustment shall be made so that—

¹ Sec. 106(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(b) by deleting paragraphs (1) through (4) and inserting in lieu thereof new paragraphs (1) through (3) as set forth in the text.

² Sec. 106(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(b) by deleting "(5)" and inserting in lieu thereof "(4)", and by deleting "receive" and inserting in lieu thereof "are entitled to".

³ Sec. 106(d) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(c) by deleting "During the first three years for which funds are approved for distribution to a metropolitan city or urban county under this section" and inserting in lieu thereof the material set forth in the text.

⁴ Section 106(d)(2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(c) by inserting "only for such funds approved for distribution in fiscal years 1975, 1976, and 1977".

(1) the amount for the first year does not exceed one-third of the full basic grant amount computed under subsection (b), or the hold-harmless amount, whichever is the greater,

(2) the amount for the second year does not exceed two-thirds of the full basic grant amount computed under subsection (b), or the hold-harmless amount, or the amount allowed under paragraph (1) of this subsection, whichever is the greatest, and

(3) the amount for the third year does not exceed the full basic grant amount computed under subsection (b).

(d)¹(1) Any portion of the amount allocated to metropolitan areas under the first sentence of subsection (a) which remains after the allocation of grants to metropolitan cities and urban counties in accordance with subsection (b) and any amounts added in accordance with the provisions of section 103(a)(2) shall be allocated by the Secretary, first, for grants to metropolitan cities, urban counties, and other units of general local government within metropolitan areas to meet their hold-harmless needs as determined under subsections (g) and (h), and second, in accordance with the provisions of paragraph (2).

(2) Any portion of such amounts which remains after applying the provisions of paragraph (1) shall be utilized by the Secretary for grants to units of general local government within metropolitan areas (other than metropolitan cities and urban counties), and States for use within metropolitan areas, allocating for the metropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this paragraph as either—

(A) the average of the ratios between—

(i) the population of the metropolitan areas in that State and the population of the metropolitan areas of all States;

(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

(iii) the extent of housing overcrowding in the metropolitan areas in that State and the extent of housing overcrowding in the metropolitan areas of all States; or

(B) the average of the ratios between—

(i) the age of housing in the metropolitan areas in that State and the age of housing in the metropolitan areas of all States;

(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

(iii) the population of the metropolitan areas in that State and the population of the metropolitan areas of all States.

In determining the average of the ratios under subparagraph (A), the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall,

¹ Sec. 106(e) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(d) to read as set forth in the text.

in order to compensate for the discrepancy between the total of the amounts to be allocated under this paragraph and the total of the amounts available under such paragraph, make a pro rata reduction of each amount allocated to the metropolitan areas in each State under such paragraph so that the metropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such paragraph as the percentage which the metropolitan areas of the same State would have received under such paragraph if the total amount available under that paragraph had equaled the total amount which was allocated under that paragraph.

(3) If the Secretary approves a grant under paragraph (2) to a unit of general local government which has a comprehensive community development program with provision for lower-income housing, the Secretary may make a multiyear commitment, up to three years, to any such unit of general local government for specified grant amounts, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall give special consideration to those communities presently carrying out comprehensive community development programs, which are subject to the provisions of subsection (h) (2), before making new commitments. In making grants under paragraph (2), the Secretary shall establish for each participating unit of general local government an annual grant at an amount meaningful to the size of the unit and the program identified, and shall consider such factors as the unit's engaging in economic redevelopment activities, past performance of the unit in community development activities, prior and present funding levels under this title, the function of the unit as a regional center of economic development and activity, impact on the unit's growth of national policy or direct Federal program decisions, the potential for having increased employment within such unit as a result of community development activity, the physical and economic deterioration within the unit, the age of housing stock and the extent of poverty within the unit, the extent to which the unit's activity or program of activities is necessary to alleviate a serious threat to health or safety, the capacity of the unit to carry out such programs, and any other factors deemed, by the Secretary, to be relevant to carrying out the purposes of this title. The Secretary shall make grants under paragraph (2) in such a manner as to insure that a reasonable proportion of grants is available to applicants which are not seeking funding for comprehensive community development programs. The Secretary may accept and approve commitments for annual grants based on comprehensive community development programs commencing in future fiscal years subject only to the availability of appropriations. In computing amounts under paragraph (2), there shall be excluded metropolitan cities, urban counties, Indian tribes, and units of general local government which are entitled to hold-harmless grants pursuant to subsection (h).

(e) Any amounts allocated to a metropolitan city or urban county pursuant to the preceding provisions of this section which are not applied for during a program period or which are not approved by the Secretary, and any other amounts allocated to a metropolitan area which the Secretary determines, on the basis of the applications and other evidence available, are not likely to be fully obligated within a

reasonable time,¹ shall be reallocated² for use by States, metropolitan cities, urban counties, or units of general local government, first, in any metropolitan area in the same State, and second, in any other metropolitan area. The Secretary shall review determinations under this subsection from time to time as appropriate with a view of assuring maximum use of all available funds in the period for which such funds were appropriated.

(f)³(1) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a)(2) and 107), 20 per centum shall be allocated by the Secretary—

(A) first, for grants to units of general local government outside of metropolitan areas to meet their hold-harmless needs as determined under subsection (h); and

(B) second, any portion of such amount which remains after applying the provisions of subparagraph (A) shall be utilized by the Secretary for grants to units of general local government outside of metropolitan area and States for use outside the metropolitan areas, allocating for the nonmetropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this subparagraph as either—

(i) the average of the ratios between—

(I) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States;

(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

(III) the extent of housing overcrowding in the nonmetropolitan areas in that State and the extent of housing overcrowding in the nonmetropolitan areas of all States; or

(ii) the average of the ratios between—

(I) the age of housing in the nonmetropolitan areas in that State and the age of housing in the nonmetropolitan areas of all States;

(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

(III) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States.

In determining the average of the ratios under clause (i) of subparagraph (B) the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under clause (ii) of subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be

¹ Sec. 106(f) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(e) by deleting "during such program period" and inserting in lieu thereof the material as set forth in the text.

² Sec. 106(f) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(e) by deleting "during the same period".

³ Sec. 106(g)(1) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(f) by deleting paragraph (1) and inserting in lieu thereof a new paragraph (1) and (2).

counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under subparagraph (B) and the total of the amounts available under such subparagraph, make a pro rata reduction of each amount allocated to the nonmetropolitan areas in each State under such subparagraph so that the nonmetropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such subparagraph as the percentage which the nonmetropolitan areas of the same State would have received under such subparagraph if the total amount available under such subparagraph had equaled the total amount which was allocated under such subparagraph.

(2)¹ If the Secretary approves a grant under paragraph (1) (B) to a unit of general local government which has a comprehensive community development program with provision for lower-income housing, the Secretary may make a multiyear commitment, up to three years, to any such unit of general local government for specified grant amounts, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall give special consideration to those communities presently carrying out comprehensive community development programs, which are subject to the provisions of subsection (h) (2), before making new commitments. In making grants under paragraph (1) (B), the Secretary shall establish for each participating unit of general local government an annual grant at an amount meaningful to the size of the unit and the program identified, and shall consider such factors as the unit's engaging in economic redevelopment activities, past performance of the unit in community development activities, prior and present funding levels under this title, the function of the unit as a regional center of economic development and activity, impact on the unit's growth of national policy or direct Federal program decisions, the potential for having increased employment within such unit as a result of community development activity, the physical and economic deterioration within the unit, the age of housing stock and the extent of poverty within the unit, the extent to which the unit's activity or program activities is necessary to alleviate a serious threat to health or safety, the capacity of the unit to carry out such programs, and any other factors deemed, by the Secretary, to be relevant to carrying out the purposes of this title. The Secretary shall make grants under paragraph (1) (B) in such a manner as to insure that a reasonable proportion of grants is available to applicants which are not seeking funding for comprehensive community development programs. The Secretary may accept and approve commitments for annual grants based on comprehensive community development programs commencing in future fiscal years subject only to the availability of appropriations. In computing amounts under paragraph (1) (B), three shall be excluded units of general local government which are entitled to hold-harmless grants pursuant to subsection (h) and Indian tribes.

(3)¹ Any amounts allocated to a unit of general local government

¹ Sec. 106(g) (2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(f) by adding a new paragraph (2) and by redesignating paragraph (2) as paragraph (3).

under paragraph (1) which are not applied for during a program period or which are not approved by the Secretary, and any amounts allocated to the nonmetropolitan areas of a State under paragraph (1) (B) which the Secretary determines, on the basis of applications and other evidence available, are not likely to be fully obligated within a reasonable time,¹ shall be reallocated as soon as practicable² to the nonmetropolitan areas of other States. The Secretary shall review determinations under this paragraph from time to time with a view to assuring maximum use of all available funds in the program period for which such funds were appropriated.

(g) (1) The full hold-harmless amount of each metropolitan city or urban county shall be the sum of (i) the sum of the average during the five fiscal years ending prior to July 1, 1972, of (1) commitments for grants (as determined by the Secretary) pursuant to part A of title I of the Housing Act of 1949; (2) loans pursuant to section 312 of the Housing Act of 1964; (3) grants pursuant to sections 702 and 703 of the Housing and Urban Development Act of 1965; (4) loans pursuant to title II of the Housing Amendments of 1955; and (5) grants pursuant to title VII of the Housing Act of 1961; and (ii) the average annual grant, as determined by the Secretary, made in accordance with part B of title I of the Housing Act of 1949 during the fiscal years ending prior to July 1, 1972, or during the fiscal year 1973 in the case of a metropolitan city or urban county which first received a grant under part B of such title in such fiscal year. In the case of a metropolitan city or urban county which has participated in the program authorized under section 105 of the Demonstration Cities and Metropolitan Development Act of 1966 and which has been funded or extended in the fiscal year 1973 for a period ending after June 30, 1973, determinations of the hold-harmless amount of such metropolitan city or urban county for the following specified years shall be made so as to include, in addition to the amounts specified in clauses (i) and (ii) of the preceding sentence, the following percentages of the average annual grant, as determined by the Secretary made in accordance with such section during fiscal years ending prior to July 1, 1972—

(A) 100 per centum for each of a number of years which, when added to the number of funding years for which the city or county received grants under such section 105, equals five;

(B) 80 per centum for the year immediately following year five as determined pursuant to clause (A),

(C) 60 per centum for the year immediately following the year provided for in clause (B); and

(D) 40 per centum for the year immediately following the year provided for in clause (C).

For the purposes of this paragraph the average annual grant under part B of title I of the Housing Act of 1949 or under section 105 of the Demonstration Cities and Metropolitan Development Act of 1966 shall be established by dividing the total amount of grants made to a participant under the program by the number of months of program

¹ Sec. 106(g) (3) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(f) by deleting "during such period" and inserting in lieu thereof "within a reasonable time".

² Sec. 106(g) (4) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(f) by deleting "during the same period".

activity for which funds were authorized and multiplying the result by twelve.

(2) During the fiscal years 1975, 1976, and 1977, the hold-harmless amount of any metropolitan city or urban county shall be the full amount computed for the city or county in accordance with paragraph (1). In the fiscal years 1978, 1979, and 1980, if such amount is greater than the basic grant amount of the metropolitan city or urban county for that year, as computed under subsection (b)(1) (A) or (B), or (2) (A) or (B),¹ it shall be reduced so that—

(i) in the fiscal year 1978, the excess of the hold-harmless amount over the basic grant amount as computed under subsection (b)(1) (A) or (B) or (2) (A) or (B),² shall equal two-thirds of the difference between the amount computed under paragraph (1) and the basic grant amount for such year,

(ii) in the fiscal year 1979, the excess of the hold-harmless amount over the basic grant amount as computed under subsection (b)(1) (A) or (B), or (2) (A) or (B),² shall equal one-third of the difference between the amount computed under paragraph (1) and the basic grant amount for such year, and

(iii) in the fiscal year 1980, there shall be no excess of the hold-harmless amount over the basic grant amount.

(h) (1) Any unit of general local government which is not a metropolitan city or urban county shall, subject to the provisions of section 104 and except as otherwise specifically authorized, be entitled to grants under this title for any year in an aggregate amount at least equal to a hold-harmless amount as computed under the provisions of subsection (g) (1) if, during the five-fiscal-year period specified in the first sentence of subsection (g) (1) (or during the fiscal year 1973 in the case of a locality which first received a grant for a neighborhood development program in that year), one or more urban renewal projects, code enforcement programs, neighborhood development programs, or model cities programs were being carried out by such unit of general local government pursuant to commitments for assistance entered into during such period under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966.

(2) In the fiscal years 1978, 1979, and 1980, in determining the hold-harmless amount of units of general local government qualifying under this subsection, the second sentence of subsection (g) (2) shall be applied as though such units were metropolitan cities or urban counties with basic grant amounts of zero.

(i)³ In excluding the data of units of general local government which are entitled to¹ a hold-harmless grant pursuant to subsection (h) from the computations described in subsection (b) (4),³ (d), and (f) of this section, the Secretary shall exclude only two-thirds of such data for the fiscal year 1978 and one-third of such data for the fiscal year 1979.

¹ Sec. 106(h) (2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(g) (2), clauses (1) and (ii) by inserting "as computed under subsection (b) (1) (A) or (B), or (2) (A) or (B)".

² Sec. 106(h) of the Housing and Community Development Act of 1977, Public Law 95-128, amended section 106(g) (2) by deleting "(b) (2) and (3)" and inserting in lieu thereof "b(1) (A) or (B), or (2) (A) or (B)".

³ Sec. 106(i) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended sections 106 (i) and (j) to read as set forth in the text.

(j) Any unit of general local government eligible for a hold-harmless grant pursuant to subsection (h) may, by such date as the Secretary shall determine,¹ irrevocably waive its eligibility for a hold-harmless grant for a single year² under such subsection. In the case of such a waiver the unit of general local government shall not be excluded from the computations described in subsections (b) (4),¹ (d), and (f) of this section.

(k) The Secretary may fix such qualification or submission dates as he determines are necessary to permit the computations and determinations required by this section to be made in a timely manner, and all such computations and determinations shall be final and conclusive.

(l)³ Not later than September 30, 1978, the Secretary shall report to the Congress with respect to the adequacy, effectiveness, and equity of the formula used for allocation of funds under this title, with specific analysis and recommendation as to the feasibility of utilizing factors of impaction (such as adjusted age of housing and extent of poverty) as a measurement consideration, and the feasibility of utilizing a single formula based on the current factors or others, including regional or area differences in income and cost of living. As used in this subsection, the term "impaction" means the intensity, measured in terms of absolute numbers and proportions of each needs factor.

(m)⁴ In the event that the total amount available for distribution under this section in fiscal year 1978 or fiscal year 1979 is insufficient to meet all basic grant and hold-harmless entitlement needs as provided pursuant to this section, and funds are not otherwise appropriated to meet such deficiency, the Secretary shall meet the deficiency through a pro rata reduction of (1) all basic grant and hold-harmless entitlement amounts, and (2) funds available under section 106(d) (2) (including amounts provided for use under section 103(a) (2)) and section 106(f) (1) (B).

DISCRETIONARY FUND

SEC. 107. (a) Of the total amount of authority to enter into contracts approved in appropriation Acts under section 103(a) (1) for each of the fiscal years 1975, 1976, 1977, 1978, 1979 and 1980,⁵ an amount equal to 3 per centum⁶ thereof shall be reserved and set aside in a special discretionary fund for use by the Secretary in making grants (in addition to any other grants which may be made under this title to the same entities or for the same purposes)—

(1) in behalf of new communities assisted under title VII of

¹ Sec. 106(i) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended sections 106(i) and (j) to read as set forth in the text.

² Sec. 106(h) (2) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(g) (2), clauses (i) and (ii) by inserting "as computed under subsection (b) (1) (A) or (B), or (2) (A) or (B)".

³ Sec. 106(k) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106(l) to read as set forth in the text. Prior to amendment section 106(l) began "Not later than March 31, 1977, the Secretary shall make a report to Congress * * *."

⁴ Sec. 106(l) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 106 by adding new subsection (m) as set forth in the text.

⁵ Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107 by striking out "and 1977," and inserting in lieu thereof "1977, 1978, 1979, and 1980".

⁶ Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107(a) by deleting "2 per centum" and inserting in lieu thereof "3 per centum".

the Housing and Urban Development Act of 1970 or title IV of the Housing and Urban Development Act of 1968 or ¹ in behalf of new community projects assisted under title X of the National Housing Act which meet the eligibility standards set forth in title VII of the Housing and Urban Development Act of 1970 and which were the subject of an application or preapplication under such title prior to January 14, 1975;

(2) to States and units of general local government which join in carrying out housing and community development programs that are areawide in scope;

(3) in Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands;

(4) to States and units of general local government for the purpose of demonstrating innovative community development projects;

(5) to States, units of general local government, and Indian tribes ² for the purpose of meeting emergency community development needs caused by federally recognized disaster; ²

(6) to States and units of general local government where the Secretary deems it necessary to correct inequities resulting from the allocation provisions of section 106; ²

(7) ³ to Indian tribes; and

(8) ³ to States, units of general local government, Indian tribes, or areawide planning organizations for the purpose of providing technical assistance in planning, developing, and administering assistance under this title. The Secretary may also provide, directly or through contracts, technical assistance under this paragraph to such governmental units, or to a group designated by such a governmental unit for the purpose of assisting that governmental unit to carry out its Community Development Program.⁴

(b) Not more than 15 per centum ⁵ of the total amount reserved and set aside in the special discretionary fund under subsection (a) for each year may be used for grants to meet emergency disaster needs under subsection (a) (5).

(c) Amounts reserved and set aside in the special discretionary fund under subsection (a) in any fiscal year but not used in such year shall remain available for use in accordance with subsections (a) and (b) in subsequent fiscal years.

(d) ⁶ no grant may be made to an Indian tribe unless the applicant provides satisfactory assurances that its program will be conducted and administered in conformity with title II of Public Law 90-284. The Secretary may waive, in connection with such grants, the provisions of section 109 and section 110.

¹ Sec. 15(c) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended section 107(a)(1) of the Housing and Community Development Act of 1974 to read as set forth in the text.

² Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107 to read as set forth in the text.

³ Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107(a) by adding subsection (a) (7) and (a) (8).

⁴ Sec. 103(f) of the Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978), adds this last sentence.

⁵ Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107(b) by deleting "one-fourth" and inserting in lieu thereof "15 per centum".

⁶ Sec. 107 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 107 by adding new subsection (d).

GUARANTEE OF LOANS FOR ACQUISITION OF PROPERTY

SEC. 108.¹ (a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to guarantee and make commitments to guarantee the notes or other obligations issued by units of general local government, or by public agencies designated by such units of general local government, for the purposes of financing acquisition of real property or the rehabilitation of real property owned by the unit of general local government (including such related expenses as the Secretary may permit by regulation). Notes or other obligations guaranteed pursuant to this section shall be in such form and denominations have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary.

(b) No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this section would thereby exceed an amount equal to three times the amount of the grant approval for the issuer pursuant to section 106.

(c) Notwithstanding any other provision of this title, grants allocated to an issuer pursuant to this title (including program income derived therefrom) are authorized for use in the payment of principal and interest due (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) on the notes or other obligations guaranteed pursuant to this section.

(d) To assure the repayment of notes or other obligations and charges incurred under this section and as a condition for receiving such guarantees, the Secretary shall require the issuer to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed hereunder;

(2) pledge any grant approved or for which the issuer may become eligible under this title; and

(3) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(e) The Secretary is authorized, notwithstanding any other provision of this title, to apply grants pledged pursuant to subsection (d) (2) to any repayments due the United States as a result of such guarantees.

(f) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

¹ Sec. 108 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 108 by deleting subsections (a) and (b) and inserting in lieu thereof new subsections (a) and (b), and also redesignating subsections (c), (d), (e), (f), and (g) as subsections (f), (g), (h), (i), and (j), respectively; and by inserting new subsections (c), (d), and (e) as set forth in the text.

(g) The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out his obligations under guarantees authorized by this section. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which such securities may be issued under such Act are extended to include the purchases of the Secretary's obligations hereunder.

(h) Obligations guaranteed under this section shall¹ be subject to Federal taxation as provided in subsection (g). The Secretary is authorized to make, and to contract to make, grants, in such amounts as may be approved in appropriations Acts,² to or on behalf of the issuing unit of general local government or public agency to cover not to exceed 30 per centum of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing unit or agency of such obligations.

(i) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding at the end thereof a new paragraph as follows:

“(22) For payments required from time to time under contracts entered into pursuant to section 108 of the Housing and Community Development Act of 1974 for payment of interest costs on obligations guaranteed by the Secretary of Housing and Urban Development under that section.”

(j) With respect to any obligation issued by a unit of general local government or designated agency which is guaranteed pursuant to³ this section, the interest paid on such obligation shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954.

(k)⁴ Notwithstanding any other provision of this section, the total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to subsection (a) shall not at any time exceed \$3,500,000,000 or such higher amount as may be authorized to be appropriated for sections 106 and 107 for any fiscal year.

NONDISCRIMINATION

SEC. 109. (a) No person in the United States shall on the ground

¹ Sec. 108 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 108 by deleting in redesignated subsection (h) the following: “may, at the option of the issuing unit of general local government or designated agency,” and inserted in lieu thereof “shall”.

² Sec. 108 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 108 by deleting the second sentence of redesignated subsection (h) and inserting a new second sentence as set forth in the text.

³ Sec. 108(6) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended subsection (j), as redesignated, to read as set forth in the text.

⁴ Section 108(7) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended sec. 108 by adding a new subsection (k) as set forth in the text.

of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

(b) Whenever the Secretary determines that a State or unit of general local government which is a recipient of assistance under this title has failed to comply with subsection (a) or an applicable regulation, he shall notify the Governor of such State or the chief executive officer of such unit of local government of the noncompliance and shall request the Governor or the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed sixty days, the Governor or the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); (3) exercise the powers and functions provided for in section 111(a) of this Act; or (4) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of general local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

LABOR STANDARDS

SEC. 110. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with grants received under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5): *Provided*, That this section shall apply to the rehabilitation of residential property only if such property is designed for residential use for eight or more families. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276 (c)).

REMEDIES FOR NONCOMPLIANCE

SEC. 111. (a) If the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary, until he is satisfied that there is no longer any such failure to comply, shall—

- (1) terminate payments to the recipient under this title, or
- (2) reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or
- (3) limit the availability of payments under this title to pro-

grams, projects, or activities not affected by such failure to comply.

(b) (1) In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) Upon such a referral the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(c) (1) Any recipient which receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within sixty days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) The Secretary shall file in the court record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendation, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

USE OF GRANTS TO SETTLE OUTSTANDING URBAN RENEWAL LOANS

SEC. 112. (a) The Secretary is authorized, notwithstanding any other provision of this title, to apply a portion of the grants, not to exceed 20 per centum thereof without the request of the recipient, made or to be made under section 103(a) in any fiscal year pursuant to an allocation under section 106 to any unit of general local government toward payment of the principal of, and accrued interest on, any temporary loan made in connection with urban renewal projects

under title I of the Housing Act of 1949 being carried out within the jurisdiction of such unit of general local government if—

(1) the Secretary determines, after consultation with the local public agency carrying out the project and the chief executive of such unit of general local government, that the project cannot be completed without additional capital grants, or

(2) the local public agency carrying out the project submits to the Secretary an appropriate request which is concurred in by the governing body of such unit of general local government.

In determining the amounts to be applied to the payment of temporary loans, the Secretary shall make an accounting for each project taking into consideration the costs incurred or to be incurred, the estimated proceeds upon any sale or disposition of property, and the capital grants approved for the project.

(b) Upon application by any local public agency carrying out an urban renewal project under title I of the Housing Act of 1949, which application is approved by the governing body of the unit of general local government in which the project is located, the Secretary may approve a financial settlement of such project if he finds that a surplus of capital grant funds after full repayment of temporary loan indebtedness will result and may authorize the unit of general local government to use such surplus funds, without deduction or offset, in accordance with the provisions of this title.

REPORTING REQUIREMENTS

SEC. 113. (a) Not later than 180 days after the close of each fiscal year in which assistance under this title is furnished, the Secretary shall submit to the Congress a report which shall contain—

(1) a description of the progress made in accomplishing the objectives of this title;¹

(2) a summary of the use of such funds as approved by the Secretary during the preceding fiscal year; and¹

(3)¹ with respect to the action grants authorized under section 119, a listing of each unit of general local government receiving funds and the amount of such grants, as well as a brief summary of the projects funded for each such unit, the extent of financial participation by other public or private entities, and the impact on employment and economic activity of such projects during the previous fiscal year.

(b) The Secretary is authorized to require recipients of assistance under this title to submit to him such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

CONSULTATION

SEC. 114. In carrying out the provisions of this title including the issuance of regulations, the Secretary shall consult with other Federal departments and agencies administering Federal grant-in-aid programs.

¹ Sec. 109 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 113(a) by adding a new paragraph (3) at the end thereof.

INTERSTATE AGREEMENTS

SEC. 115. The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance in support of community development planning and programs carried out under this title as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

TRANSITION PROVISIONS

SEC. 116. (a) Except with respect to projects and programs for which funds have been previously committed, no new grants or loans shall be made after January 1, 1975, under (1) title I of the Demonstration Cities and Metropolitan Development Act of 1966, (2) title I of the Housing Act of 1949, (3) section 702 or section 703 of the Housing and Urban Development Act of 1965, (4) title II of the Housing Amendments of 1955, or (5) title VII of the Housing Act of 1961.

(b) To the extent that grants under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966 are payable from appropriations made for the fiscal year 1975, and are made with respect to a project or program being carried on in any unit of general local government which is eligible to receive a grant for such fiscal year under section 106(a) or (h) of this Act, the amount of such grants made under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966 shall be deducted from the amount of grants which such unit of general local government is eligible to receive for the fiscal year 1975 under such section 106(a) or (h). The deduction required by the preceding sentence shall be disregarded in determining the amount of grants made to any unit of general local government that may be applied, pursuant to section 112 of this Act, to payment of temporary loans in connection with urban renewal projects under title I of the Housing Act of 1949. The amount of any appropriations made for the fiscal year 1975 which is used for grants so as to be subject to the provisions of this subsection relating to deductions shall be deemed to have been appropriated for grants pursuant to section 103(a) of this Act for such fiscal year for purposes of calculations under sections 106 and 107 of this Act.

* * * * *

(f) With respect to the program period beginning January 1, 1975, the Secretary may, without regard to the requirements of section 104, advance to any metropolitan city, urban county or other unit of general local government, out of the amount allocated to such entity pursuant to section 106 (a) or (h), an amount not to exceed 10 per centum of the amount so allocated which shall be available only for use (1) to continue projects or programs referred to in clauses (1) and (2) of subsection (a) of this section, or (2) to plan and prepare for the implementation of activities to be assisted under this title.

(g) In the case of funds available for any fiscal year, the Secretary shall not consider any application from a metropolitan city or urban county for a grant pursuant to section 106(a) or from a unit of general

local government for a grant pursuant to section 106(h) unless such application is submitted on or prior to such date (in that fiscal year) as the Secretary shall establish as the final date for submission of applications for such grants in that year.

(h)¹ In the event that the total amount available for distribution in fiscal year 1977 in metropolitan areas is insufficient to meet all basic grant and hold-harmless entitlement needs, as provided by section 106(a), and funds are not otherwise appropriated to meet such deficiency, the Secretary shall meet the deficiency, first, from amounts available for use under section 107 and, if such amounts are exhausted, through a ratable reduction of all entitlements under section 106(a).

LIQUIDATION OF SUPERSEDED PROGRAMS

SEC. 117. (a) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding after paragraph (22) (as added by section 108(f) of this Act) the following new paragraph:

“(23) For payments required from time to time under contracts entered into pursuant to section 103(b) of the Housing Act of 1949 with respect to projects or programs for which funds have been committed on or before December 31, 1974, and for which funds have not previously been appropriated.”

(b) The Secretary is authorized to transfer the assets and liabilities of any program which is superseded or inactive by reason of this title to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act of 1965 (Public Law 81-428; 68 Stat. 272, 295):²

* * * * *

URBAN DEVELOPMENT ACTION GRANTS²

SEC. 119.³ (a) In order to promote the primary objective of this title of the development of viable urban communities, of the total amount of authority approved in appropriation Acts under section 103(c), the Secretary is authorized to make urban development action grants to severely distressed cities and urban counties to help alleviate physical and economic deterioration through reclamation of neighborhoods having excessive housing abandonment or deterioration, and through community revitalization in areas with population outmigration or a stagnating or declining tax base. Grants made under this section shall be for the support of severely distressed cities and urban counties that require increased public and private assistance in addition to the assistance otherwise made available under this title and other forms of Federal assistance.

(b) Urban development action grants shall be made only to cities and urban counties that have, in the determination of the Secretary, demonstrated results in providing housing for persons of low- and moderate-income and in providing equal opportunity in housing and

¹ Sec. 15(d) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended section 116 of the Housing and Community Development Act of 1974 by adding a new subsection “(h)”.

² There is a technical error in this subsection. The reference should be to title II of the Independent Offices Appropriation Act, 1955, Public Law 83-428. The reference to the Statutes at Large is correct.

³ Sec. 110(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended title I of the Housing and Community Development Act of 1974 by adding a new section 119, to read as set forth in the text.

employment for low- and moderate-income persons and members of minority groups. The Secretary shall issue regulations establishing criteria in accordance with the preceding sentence and setting forth minimum standards for determining the level of physical and economic distress of cities and urban counties for eligibility for such grants, which standards shall take into account factors such as the age and condition of housing stock, including residential abandonment; average income; population outmigration; and stagnating or declining tax base.

(c) Applications for assistance under this section shall—

(1) include documentation of eligibility for grants in accordance with the standards described in subsection (b);

(2) describe a concentrated urban development action program setting forth a comprehensive action plan and strategy to alleviate physical and economic distress through systematic change, which program shall be consistent with the community development program described in section 104(a)(2) and the housing assistance plan described in section 104(a)(4) and where it exists and is in effect, the overall economic development plan as provided for in section 202(b)(10) of the Public Works and Economic Development Act of 1965, but only in the event and after such time as such plans are required by law or administrative action to be consistent with community development programs. Such programs shall be developed as to take advantage of unique opportunities to attract private investment, stimulate investment in restoration of deteriorated or abandoned housing stock, or solve critical problems resulting from population outmigration or a stagnating or declining tax base;

(3) include the activities to be undertaken in the urban development action program, together with the estimated costs and general locations of such activities;

(4) ¹ indicate public and private resources which are expected strategy described in paragraph (2);

(5) ² provide satisfactory assurances that, prior to submission of its application, it has (A) prepared and followed a written citizen participation plan, which plan provides the opportunity for citizens to participate in the development of the application, with special attention to measures to encourage the statement of views and the submission of proposals by low- and moderate-income people and residents of blighted neighborhoods, and to scheduling hearings at times and locations which are convenient to all citizens, (B) provided citizens with adequate information concerning the amount of funds available for proposed activities under this section, the range of activities that may be undertaken, and other important program requirements, and (C) held public hearings to obtain the views of citizens on needs which may be dealt with under this section; and

¹ Amended by Housing and Community Development Amendments of 1978, Sec. 103(g) (1), Public Law 95-557, 92 Stat. 2080 (1978).

² Amended by Housing and Community Development Amendments of 1978, Sec. 103(g) (2), Public Law 95-557, 92 Stat. 2080 (1978).

(6)¹ include a statement analyzing the impact of the proposed urban development action program on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood, in which the program is to be located.

(d) To the extent that the application requirements of section 104(a)(4) have been satisfied in connection with a grant made pursuant to section 106, such requirements shall be determined to have been met for purposes of this section.

(e) In establishing criteria for the purpose of making grants under this section the Secretary shall establish selection criteria which must include (1) as the primary criterion, the comparative degree of physical and economic distress among applicants, as measured (in the case of a metropolitan city or urban county) by the differences in the extent of growth lag, the extent of poverty, and the adjusted age of housing in the metropolitan city or urban county; (2) other factors determined to be relevant by the Secretary in assessing the comparative degree of physical and economic deterioration in cities and urban counties; and (3) at least the following other criteria: demonstrated performance of the city or urban county in housing and community development programs; impact of the proposed urban development action program on the special problems of low- and moderate-income persons and minorities; extent of financial participation by other public or by private entities; extent of assistance to be made available by the State; impact on the physical, fiscal, or economic deterioration of the city or urban county; extent to which the program describes activities representing a special or unique opportunity to meet local priority needs or the objectives of this title; impact of the proposed urban development action program on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood, in which the program is to be located;² and feasibility of accomplishing the program in a timely fashion within the grant amount available.

(f) In addition to activities authorized under section 105(a), an urban development action program may also include such additional community development and neighborhood development and conservation activities as the Secretary may determine to be consistent with the purposes of this section.

(g) No assistance shall be provided for business loans or industrial development under this section unless the Secretary shall first consult with and coordinate such assistance with other Federal agencies which make available funds for similar activities.

(h) The Secretary shall, at least on an annual basis, make reviews and audits of recipients of grants pursuant to this section as necessary to determine the progress made in carrying out activities substantially in accordance with approved plans and timetables. The Secretary may adjust, reduce, or withdraw grant funds, or take other action as appropriate in accordance with the findings of such review and audits, except that funds already expended on eligible activities under this title shall not be recaptured or deducted from future grants made to the recipient.

¹ This paragraph was added by Housing and Community Development Amendments of 1978, Sec. 103(g)(3), Public Law 95-557, 92 Stat 2080 (1978).

² This clause was added by Sec. 103(h), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978).

(i) No assistance may be provided under this section for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another, unless the Secretary finds that such relocation does not significantly and adversely affect the unemployment or economic base of the area from which such industrial or commercial plant or facility is to be relocated.

(j) The Secretary shall allocate the amounts available for grants under this section in a manner which achieves a reasonable balance among programs that are designed primarily (1) to restore seriously deteriorated neighborhoods, (2) to reclaim for industrial purposes underutilized real property, and (3) to renew commercial employment centers.

(k) Not less than 25 per centum of the funds made available for grants under this section shall be used for cities under fifty thousand population which are not central cities of a standard metropolitan statistical area.

FAIR PARTICIPATION FOR SMALL COMMUNITIES

SEC. 120.¹ No community shall be barred from participating in any program authorized under this title solely on the basis of population, except as expressly authorized by statute.

Approved August 22, 1974.

EXCERPT FROM THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

[Public Law 95-128, 91 Stat. 55, 42 U.S.C. 5301]

* * * * *

STUDY ON SMALL CITIES

SEC. 113. The Secretary of Housing and Urban Development shall conduct a study and, not later than one year after the date of enactment of this Act, report to the President and to the Congress recommendation on the formation of a national policy on the developmental needs of small cities. In carrying out such study, the Secretary shall (1) take steps to improve the data available about small cities, (2) suggest means of reducing the duplication in government programs in jurisdictions which affect small cities, and (3) consider all of the relevant differences and similarities between small and large cities, particularly in the area of housing, growth, development patterns, infrastructure, education, energy needs, and social development. In addition, the Secretary shall include in the report alternative verifiable formulae to be used in the distribution of discretionary balance funds available for allocation to small cities under title I of the Housing and Community Development Act of 1974.

* * * * *

Approved October 12, 1977.

¹ This section was added by Sec. 103(1), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080 (1978).

EXCERPT FROM REVENUE ACT OF 1978

[Public Law 95-600, 92 Stat. 2763]

Subtitle D—Tax-Exempt Bonds

PART I—INDUSTRIAL DEVELOPMENT BONDS

SEC. 331. INCREASE IN LIMIT ON SMALL ISSUES OF INDUSTRIAL DEVELOPMENT BONDS.

(a) GENERAL RULE.—Subparagraph (D) of section 103(b)(6) (relating to \$5,000,000 limit in certain cases) is amended by striking out “\$5,000,000” in the heading and in the text and inserting in lieu thereof “\$10,000,000”.

(b) TREATMENT OF CERTAIN URBAN DEVELOPMENT ACTION GRANTS.—Paragraph (6) of section 103(b) (relating to exemption for certain small issues) is amended by adding at the end thereof the following new subparagraph:

“(I) AGGREGATE AMOUNT OF CAPITAL EXPENDITURES WHERE THERE IS URBAN DEVELOPMENT ACTION GRANT.—In the case of any issue substantially all of the proceeds of which are to be used to provide facilities with respect to which an urban development action grant has been made under section 119 of the Housing and Community Development Act of 1974, capital expenditures of not to exceed \$10,000,000 shall not be taken into account for purposes of applying subparagraph (D) (ii).”

(c) EFFECTIVE DATES.—

- (1) The amendments made by subsection (a) shall apply to—
 - (A) obligations issued after December 31, 1978, in taxable years ending after such date, and
 - (B) capital expenditures made after December 31, 1978, with respect to obligations issued before January 1, 1979.
- (2) The amendment made by subsection (b) shall apply to—
 - (A) obligations issued after September 30, 1979, in taxable years ending after such date, and
 - (B) capital expenditures made after September 30, 1979, with respect to obligations issued after such date.

* * * * *

Approved November 6, 1978.

COMMUNITY REINVESTMENT

EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

[Public Law 95-128, 91 Stat. 1147; 42 U.S.C. 5301]

TITLE VIII—COMMUNITY REINVESTMENT

* * * * *

SEC. 801. This title may be cited as the "Community Reinvestment Act of 1977".

SEC. 802. (a) The Congress finds that—

(1) regulated financial institutions are required by law to demonstrate that their deposit facilities serve the convenience and needs of the communities in which they are chartered to do business;

(2) the convenience and needs of communities include the need for credit services as well as deposit services; and

(3) regulated financial institutions have continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered.

(b) It is the purpose of this title to require each appropriate Federal financial supervisory agency to use its authority when examining financial institutions, to encourage such institutions to help meet the credit needs of the local communities in which they are chartered consistent with the safe and sound operation of such institutions.

SEC. 803. For the purposes of this title—

(1) the term "appropriate Federal financial supervisory agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board of Governors of the Federal Reserve System with respect to State chartered banks which are members of the Federal Reserve System and bank holding companies;

(C) the Federal Deposit Insurance Corporation with respect to State chartered banks and savings banks which are not members of the Federal Reserve System and the deposits of which are insured by the Corporation; and

(D) the Federal Home Loan Bank Board with respect to institutions the deposits of which are insured by the Federal Savings and Loan Insurance Corporation and to savings and loan holding companies;

(2) the term "regulated financial institution" means an insured bank as defined in section 3 of the Federal Deposit Insurance Act or an insured institution as defined in section 401 of the National Housing Act; and

(3) the term "application for a deposit facility" means an application to the appropriate Federal financial supervisory agency otherwise required under Federal law or regulations thereunder for—

(A) a charter for a national bank or Federal savings and loan association;

(B) deposit insurance in connection with a newly chartered State bank, savings bank, savings and loan association or similar institution;

(C) the establishment of a domestic branch or other facility with the ability to accept deposits of a regulated financial institution;

(D) the relocation of the home office or a branch office of a regulated financial institution;

(E) the merger or consolidation with, or the acquisition of the assets, or the assumption of the liabilities of a regulated financial institution requiring approval under section 18(c) of the Federal Deposit Insurance Act or under regulations issued under the authority of title IV of the National Housing Act; or

(F) the acquisition of shares in, or the assets of, a regulated financial institution requiring approval under section 3 of the Bank Holding Company Act of 1956 or section 408 (e) of the National Housing Act.

SEC. 804. In connection with its examination of a financial institution, the appropriate Federal financial supervisory agency shall—

(1) assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of such institution; and

(2) take such record into account in its evaluation of an application for a deposit facility by such institution.

SEC. 805. Each appropriate Federal financial supervisory agency shall include in its annual report to the Congress a section outlining the actions it has taken to carry out its responsibilities under this title.

SEC. 806. Regulations to carry out the purposes of this title shall be published by each appropriate Federal financial supervisory agency, and shall take effect no later than 390 days after the date of enactment of this title.

* * * * *

Approved October 12, 1977.

**EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT
AMENDMENTS OF 1978**

[Public Law 95-557, 92 Stat. 2115, 42 U.S.C. 8101]

TITLE VI—NEIGHBORHOOD REINVESTMENT CORPORATION**SHORT TITLE**

SEC. 601. This title may be cited as the “Neighborhood Reinvestment Corporation Act”.

FINDINGS AND PURPOSE

SEC. 602. (a) The Congress finds that—

(1) the neighborhood housing services demonstration of the Urban Reinvestment Task Force has proven its worth as a successful program to revitalize older urban neighborhoods by mobilizing public, private, and community resources at the neighborhood level; and

(2) the demand for neighborhood housing services programs in cities throughout the United States warrants the creation of a public corporation to institutionalize and expand the neighborhood housing services program and other programs of the present Urban Reinvestment Task Force.

(b) The purpose of this title is to establish a public corporation which will continue the joint efforts of the Federal financial supervisory agencies and the Department of Housing and Urban Development to promote reinvestment in older neighborhoods by local financial institutions working cooperatively with community people and local government, and which will continue the nonbureaucratic approach of the Urban Reinvestment Task Force, relying largely on local initiative for the special design of local programs.

ESTABLISHMENT OF CORPORATION

SEC. 603. (a) There is established a National Neighborhood Reinvestment Corporation (hereinafter referred to as the “corporation”) which shall be a body corporate and shall possess the powers, and shall be subject to the direction and limitations specified herein.

(b) The corporation shall implement and expand the demonstration activities carried out by the Urban Reinvestment Task Force.

(c) The corporation shall maintain its principal office in the District of Columbia or at such other place the corporation may from time to time prescribe.

(d) The corporation, including its franchise, activities, assets, and income, shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property of the corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

BOARD OF DIRECTORS; ESTABLISHMENT

SEC. 604. (a) The corporation shall be under the direction of a board of directors made up of the following members:

(1) the Chairman of the Federal Home Loan Bank Board;

- (2) the Secretary of Housing and Urban Development;
 - (3) a member of the Board of Governors of the Federal Reserve System, to be designated by the Chairman of the Board of Governors of the Federal Reserve System;
 - (4) the Chairman of the Federal Deposit Insurance Corporation;
 - (5) the Comptroller of the Currency; and
 - (6) the Administrator of the National Credit Union Administration.
- (b) The Board shall elect from among its members a chairman who shall serve for a term of two years, except that the Chairman of the Federal Home Loan Bank Board shall serve as Chairman of the Board of Directors for the first such two-year term.
- (c) Each director of the corporation shall serve *ex officio* during the period he holds the office to which he is appointed by the President.
- (d) The directors of the corporation, as full-time officers of the United States, shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as directors of the corporation.
- (e) The directors of the corporation shall adopt such bylaws, policies, and administrative provisions as are necessary to the functioning of the corporation and consistent with the provisions of this title.
- (f) The presence of a majority of the board members shall constitute a quorum.
- (g) The corporation shall be subject to the provisions of section 552 of title 5, United States Code.
- (h) All meetings of the board of directors will be conducted in accordance with the provisions of section 552b of title 5, United States Code.

OFFICERS AND EMPLOYEES

SEC. 605. (a) The board shall have power to select, employ, and fix the compensation and benefits of such officers, employees, attorneys, and agents as shall be necessary for the performance of its duties under this title, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and General Schedule pay rates, except that no officer, employee, attorney, or agent of the corporation may be paid compensation at a rate in excess of the highest rate provided for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(b) The directors of the corporation shall appoint an executive director who shall serve as chief executive officer of the corporation.

(c) The executive director of the corporation, subject to approval by the board, may appoint and remove such employees of the corporation as he determines necessary to carry out the purposes of the corporation.

(d) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this title.

(e) Officers and employees of the corporation shall not be considered officers or employees of the United States, and the corporation shall not be considered a department, agency, or instrumentality of the Federal Government. The corporation shall be subject to administrative and cost standards issued by the Office of Management and Budget similar to standards applicable to non-profit grantees and educational institutions.

POWERS AND DUTIES

SEC. 606. (a) (1) The corporation shall continue the work of the Urban Reinvestment Task Force in establishing neighborhood housing services programs in neighborhoods throughout the United States, supervising their progress, and providing them with grants and technical assistance. For the purpose of this paragraph, a neighborhood housing services program may involve a partnership of neighborhood residents and representatives of local governmental and financial institutions, organized as a State-chartered non-profit corporation, working to bring about reinvestment in one or more neighborhoods through a program of systematic housing inspections, increased public investment, increased private lending, increased resident investment, and a revolving loan fund to make loans available at flexible rates and terms to homeowners not meeting private lending criteria.

(2) The corporation shall continue the work of the Urban Reinvestment Task Force in identifying, monitoring, evaluating, and providing grants and technical assistance to selected neighborhood preservation projects which show promise as mechanisms for reversing neighborhood decline and improving the quality of neighborhood life.

(3) The corporation shall experimentally replicate neighborhood preservation projects which have demonstrated success, and after creating reliable developmental processes, bring the new programs to neighborhoods throughout the United States which in the judgment of the corporation can benefit therefrom, by providing assistance in organizing programs, providing grants in partial support of program costs, and providing technical assistance to ongoing programs.

(4) The corporation shall continue the work of the Urban Reinvestment Task Force in supporting Neighborhood Housing Services of America, a nonprofit corporation established to provide services to local neighborhood housing services programs, with support which may include technical assistance and grants to expand its national loan purchase pool and may contract with it for services which it can perform more efficiently or effectively than the corporation.

(5) The corporation shall, in making and providing the foregoing grants and technical and other assistance, determine the reporting and management restrictions or requirements with which the recipients of such grants or other assistance must comply. In making such determinations, the corporation shall assure that recipients of grants and other assistance make available to the corporation such information as may be necessary to determine compliance with applicable Federal laws.

(b) To carry out the foregoing purposes and engage in the foregoing activities, the corporation is authorized—

- (1) to adopt, alter, and use a corporate seal;
- (2) to have succession until dissolved by Act of Congress;

(3) to make and perform contracts, agreements, and commitments;

(4) to sue and be sued, complain and defend, in any State, Federal, or other court;

(5) to determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation of consultants, without regard to any other law, except as provided in section 608(d);

(6) to settle, adjust, and compromise, and with or without compensation or benefit to the corporation to release or waive in whole or in part, in advance or otherwise, any claim, demand, or right of, by, or against the corporation;

(7) to invest such funds of the corporation in such investment as the board of directors may prescribe;

(8) to acquire, take, hold, and own, and to deal with and dispose of any property; and

(9) to exercise all other powers that are necessary and proper to carry out the purposes of this title.

(c) (1) The corporation may contract with the Office of Neighborhood Reinvestment of the Federal home loan banks for all staff, services, facilities, and equipment now or in the future furnished by the Office of Neighborhood Reinvestment to the Urban Reinvestment Task Force, including receiving the services of the Director of the Office of Neighborhood Reinvestment as the corporation's executive director.

(2) The corporation shall have the power to award contracts and grants to—

(A) neighborhood housing services corporations and other non-profit corporations engaged in neighborhood preservation activities; and

(B) local governmental bodies.

(3) The Secretary of Housing and Urban Development, the Federal Home Loan Bank Board and the Federal home loan banks, the Board of Governors of the Federal Reserve System and the Federal Reserve banks, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency, the National Credit Union Administration or any other department, agency, or other instrumentality of the Federal Government are authorized to provide services and facilities, with or without reimbursement, necessary to achieve the objectives and to carry out the purposes of this title.

(d) (1) The corporation shall have no power to issue any shares of stocks, or to declare or pay any dividends.

(2) No part of the income or assets of the corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

(3) The corporation may not contribute to or otherwise support any political party or candidate for elective public office.

REPORTS AND AUDITS

SEC. 607. (a) The corporation shall publish an annual report which shall be transmitted by the corporation to the President and the Congress.

(b) The accounts of the corporation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

(c) In addition to the annual audit, the financial transactions of the corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States. The financial transactions of the corporation shall be audited by the General Accounting Office at least once during each three years

(d) For any fiscal year during which Federal funds are available to finance any portion of the corporation's grants or contracts, the General Accounting Office, in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States, may audit the grantees or contractors of the corporation.

(e) The corporation shall conduct or require each grantee or contractor to provide for an annual financial audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the corporation.

AUTHORIZATION

SEC. 608. (a) There are authorized to be appropriated to the corporation to carry out this title not to exceed \$12,500,000 for fiscal year 1979.

(b) Funds appropriated pursuant to this section shall remain available until expended.

(c) Non-Federal funds received by the corporation, and funds received by any recipient from a source other than the corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds.

(d) The corporation shall prepare annually a business-type budget which shall be submitted to the Office of Management and Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented. The budget of the corporation as modified, amended, or revised by the President shall be transmitted to the Congress as a part of the annual budget required by the Budget and Accounting Act, 1921. Amendments to the annual budget program may be submitted from time to time.

* * * * *

Approved October 31, 1978.

**EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT
AMENDMENTS OF 1978**

[Public Law 95-557, 42 U.S.C. 8121]

TITLE VII—NEIGHBORHOOD SELF-HELP DEVELOPMENT**SHORT TITLE**

SEC. 701. This title may be cited as the “Neighborhood Self-Help Development Act of 1978”.

FINDINGS AND PURPOSES

SEC. 702. (a) The Congress finds and declares that—

(1) existing urban neighborhoods are a national resource to be conserved and revitalized wherever possible, and that public policy should promote governmental and private programs and activities that further that objective;

(2) to be effective, neighborhood conservation and revitalization efforts must involve the fullest possible support and participation of those most directly affected at the neighborhood levels; and

(3) an effective way to obtain such support and participation at the neighborhood level is through neighborhood organizations accountable to residents of a particular neighborhood with a demonstrable capacity for developing, assessing, and carrying out projects for neighborhood conservation and revitalization.

(b) Therefore, the purposes of this title are (1) to provide grants and other forms of assistance to qualified neighborhood organizations to undertake specific housing, economic or community development, and other appropriate neighborhood conservation and revitalization projects in low- and moderate-income neighborhoods, which are in need of preservation and revitalization, and (2) in the process of providing such assistance, to increase the capacity of neighborhood organizations to utilize and coordinate resources available from the public and private sectors and from the residents and neighborhoods themselves, in conserving and revitalizing such neighborhoods.

DEFINITIONS

SEC. 703. As used in this title—

(1) the term “neighborhood organization” means a voluntary, nonprofit organization which (A) is broadly representative of the neighborhood in which the project will be located (and may include representatives of local business, financial and other governmental and nongovernmental entities), (B) is accountable to neighborhood residents with respect to the project being proposed, (C) has an objective the preservation and revitalization of such neighborhood, and (D) is found by the Secretary to have a proven record or demonstrable capacity for developing resources for, and effectively implementing neighborhood conservation and revitalization programs and projects;

(2) the term "neighborhood conservation and revitalization projects" includes, but is not limited to, (A) locally initiated programs for housing rehabilitation or the creative reuse or improvement of existing housing; (B) conservation and revitalization of neighborhood retail business areas and the recycling of vacant or underutilized industrial sites, public facilities, and privately owned businesses for the purpose of expanding employment opportunities and neighborhood economic development; and (C) energy conservation and weatherization projects; and

(3) the term "Secretary" means the Secretary of Housing and Urban Development.

AUTHORITY TO PROVIDE ASSISTANCE

SEC. 704. (a) The Secretary is authorized to make grants and to provide other forms of assistance to neighborhood organizations for effectively preparing and implementing specific housing, economic and community development, and other appropriate neighborhood conservation and revitalization projects within a particular neighborhood, and to assist such organizations in implementing such projects in partnership with local government and other public and private entities.

(b) Grants and other forms of assistance may be made available under this section only if—

(1) the assistance will be used for a specific project which is related to and supportive of a conservation or revitalization strategy for the neighborhood in which the project will be located;

(2) the project will, to the extent feasible, include a self-help component which involves a contribution of time or resources by neighborhood residents;

(3) the project will directly benefit the residents of a low- or moderate-income neighborhood;

(4) the project will, to the extent feasible, involve leveraging of resources available from the private sector;

(5) the project will, to the extent feasible, involve the coordination of resources available from the local, State, or Federal Government;

(6) the applicant demonstrates that the residents of the neighborhood where the project will be located, and particularly residents who will be directly affected by the project, have been actively involved in and supportive of the selection of the project, and will continue to be involved in project development, implementation, and evaluation through an effective and continuing participation mechanism; and

(7) the applicant provides evidence that identified funding sources support the project and can make funds available contingent on the progress of the project.

(c) Grants and other forms of assistance made available under this section shall be used primarily for preparing and the implementation of specific neighborhood housing, economic, and community development projects. No grant or other assistance or portion thereof shall be made available under this section for (1) planning functions which are not directly combined with project implementation, (2) a public works project such as street repair which is not associated with the

specific project being funded under this section, (3) operation of a social service program which is not associated with the specific project being funded under this section, (4) an economic development project which will not primarily benefit the residents of the neighborhood in which it will be located, (5) operating costs of a community group which are not associated with the specific project being funded under this section, or (6) other purposes which the Secretary may determine are not consistent with the purposes of this title.

(d) Grants and other forms of assistance may be made available under this title only if the application contains a certification by the unit of general local government within which the neighborhood to be assisted is located that such assistance is consistent with, and supportive of the specific objectives of that unit of government including housing and community development, economic development, and neighborhood conservation or revitalization activities being carried out by such unit.

(e) The Secretary shall consult with the heads of other Federal departments and agencies having responsibilities related to the purposes of this title, including the Community Services Administration, with respect to (1) general standards, policies, and procedures to be followed in the administration of this title, and (2) particular assistance actions or approvals which the Secretary believes to be of special interest or concern to one or more of such departments and agencies. The Secretary shall ensure the close coordination of activities assisted under this title with other related Federal, State, and local assistance programs, including the programs of the Community Services Administration, and, with respect to particular assistance actions or approvals, ensure a maximum commitment by the neighborhood organization of its own financial and other resources toward the assisted project.

APPROPRIATIONS

SEC. 705. There are authorized to be appropriated for the purpose of carrying out this title not to exceed \$15,000,000 for each of the fiscal years 1979 and 1980. Any amount appropriated pursuant to this section shall remain available until expended.

* * * * *

Approved October 31, 1978.

EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT
AMENDMENTS OF 1978

[Public Law 95-557, 92 Stat. 2122, 42 U.S.C. 8141]

TITLE VIII—LIVABLE CITIES

SHORT TITLE

SEC. 801. This title may be cited as the "Livable Cities Act of 1978".

FINDINGS

SEC. 802. The Congress finds and declares—

(1) that artistic, cultural, and historic resources, including urban design, constitute an integral part of a suitable living environment for the residents of the Nation's urban areas, and should be available to all residents of such areas, regardless of income;

(2) that the development or preservation of such resources is a significant and necessary factor in restoring and maintaining the vitality of the urban environment, and can serve as a catalyst for improving decaying or deteriorated urban communities and expanding economic opportunities, and for creating a sense of community identity, spirit, and pride; and

(3) that the encouragement and support of local initiatives to develop or preserve such resources, particularly in connection with federally assisted housing or community development activities or in communities with a high proportion of low-income residents, is an appropriate function of the Federal Government.

PURPOSE

SEC. 803. The primary purpose of this title is to assist the efforts of States, local governments, neighborhood and other organizations to provide a more suitable living environment, expand cultural opportunities, and to the extent practicable, stimulate economic opportunities, primarily for the low and moderate income residents of communities and neighborhoods in need of conservation and revitalization, through the utilization, design or development of artistic, cultural, or historic resources.

DEFINITIONS

SEC. 804. For the purpose of this title—

(1) the terms "art" and "arts" include, but are not limited to, architecture (including preservation, restoration, or adaptive use of existing structures), landscape architecture, urban design, interior design, graphic arts, fine arts (including painting and sculpture), performing arts (including music, drama, and dance), literature, crafts, photography, communications media and film, as well as other similar activities which reflect the cultural heritage of the Nation's communities and their citizens;

(2) the term "nonprofit organization" means an organization in which no part of its net earnings inures to the benefit of any private stockholder or stockholders, individual or individuals and,

if a private entity, which is not disqualified for tax exemption under section 501(c)(3) of the Internal Revenue Code of 1954 by reason of attempting to influence legislation and does not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office; such organizations may include States and units of local government (including public agencies or special authorities thereof), regional organizations of local governments and nonprofit societies, neighborhood groups, institutions, organizations, associations or museums;

(3) the term "project" means a program or activity intended to carry out the purposes of this title, including programs for neighborhood and community-based arts programs, urban design, user needs design, and the encouragement of the preservation of historic or other structures which have neighborhood or community significance;

(4) the term "Secretary" means the Secretary of Housing and Urban Development;

(5) the term "Chairman" means the Chairman of the National Endowment for the Arts;

(6) the term "Department" means the Department of Housing and Urban Development; and

(7) the term "Endowment" means the National Endowment for the Arts.

GRANTS TO OR CONTRACTS WITH ORGANIZATIONS

SEC. 805. (a) The Secretary is authorized to make grants to, or enter into contracts with, nonprofit organizations for the purpose of enabling such organizations to undertake or support in cities, urban communities, or neighborhoods, projects which the Secretary, in consultation with the Chairman, determines will carry out the purposes of this title and which—

(1) have substantial artistic, cultural, historical, or design merit,

(2) represent community or neighborhood initiatives which have a significant potential for conserving or revitalizing communities or neighborhoods, and for enhancing community or neighborhood identity and pride, and

(3) meet the criteria established jointly by the Secretary and the Chairman pursuant to this section.

(b) The Secretary and the Chairman shall establish jointly criteria and procedures for evaluating and selecting projects to be assisted under this title. Such criteria shall address, but need not be limited to—

(1) artistic, cultural, historical, or design quality;

(2) the degree of broadly based, active involvement of neighborhood residents, community groups, local officials, and persons with expertise in the arts with the proposed project;

(3) the degree of or the potential for utilization or stimulation of assistance or cooperation from other Federal, State, and local public and private sources, including arts organizations;

(4) the feasibility of project implementation, including the capability of the sponsor organization;

(5) the potential contribution to neighborhood revitalization and the creation of a sense of community identity and pride;

(6) the potential for stimulating neighborhood economic and community development, particularly for the benefit of persons of low and moderate income; and

(7) the potential of utilization of the project by neighborhood residents, particularly residents of low and moderate income, senior citizens, and handicapped persons.

(c) No assistance shall be made under this title except upon application therefor submitted to the Secretary in accordance with regulations and procedures established jointly by the Secretary and the Chairman.

(d) Prior to the approval of any application for assistance under this title, the Secretary shall consult with the Chairman and, in accordance with regulations and procedures established jointly by the Secretary and the Chairman, seek the recommendations of State and local officials and private citizens who have broad knowledge of, or experience or expertise in, community and economic development and revitalization, and of such officials and citizens who have broad knowledge of, or expertise in, the arts.

(e) The Secretary, in cooperation with the Chairman, shall prescribe regulations which require that specific portions of the cost of any projects assisted under this title shall be provided from sources other than funds made available under this title. Such matching requirements may vary depending on the type of applicant, and the Secretary may reduce or waive such requirements solely in order to take account of the financial capacity of the applicant.

(f) Grants and other assistance may be made available under this title only if the application contains a certification by the unit of general local government in which the project will be located that the project is consistent with and supportive of the objective of that government for the area in which the project is located.

(g) Funds made available under this title shall not be used to supplant other public or private funds.

(h) No more than 10 per centum of the funds appropriated for any fiscal year under section 807 shall be available for administrative expenses.

COORDINATION AND DEVELOPMENT OF PROGRAM WITH OTHER FEDERAL AND NONFEDERAL PROGRAMS

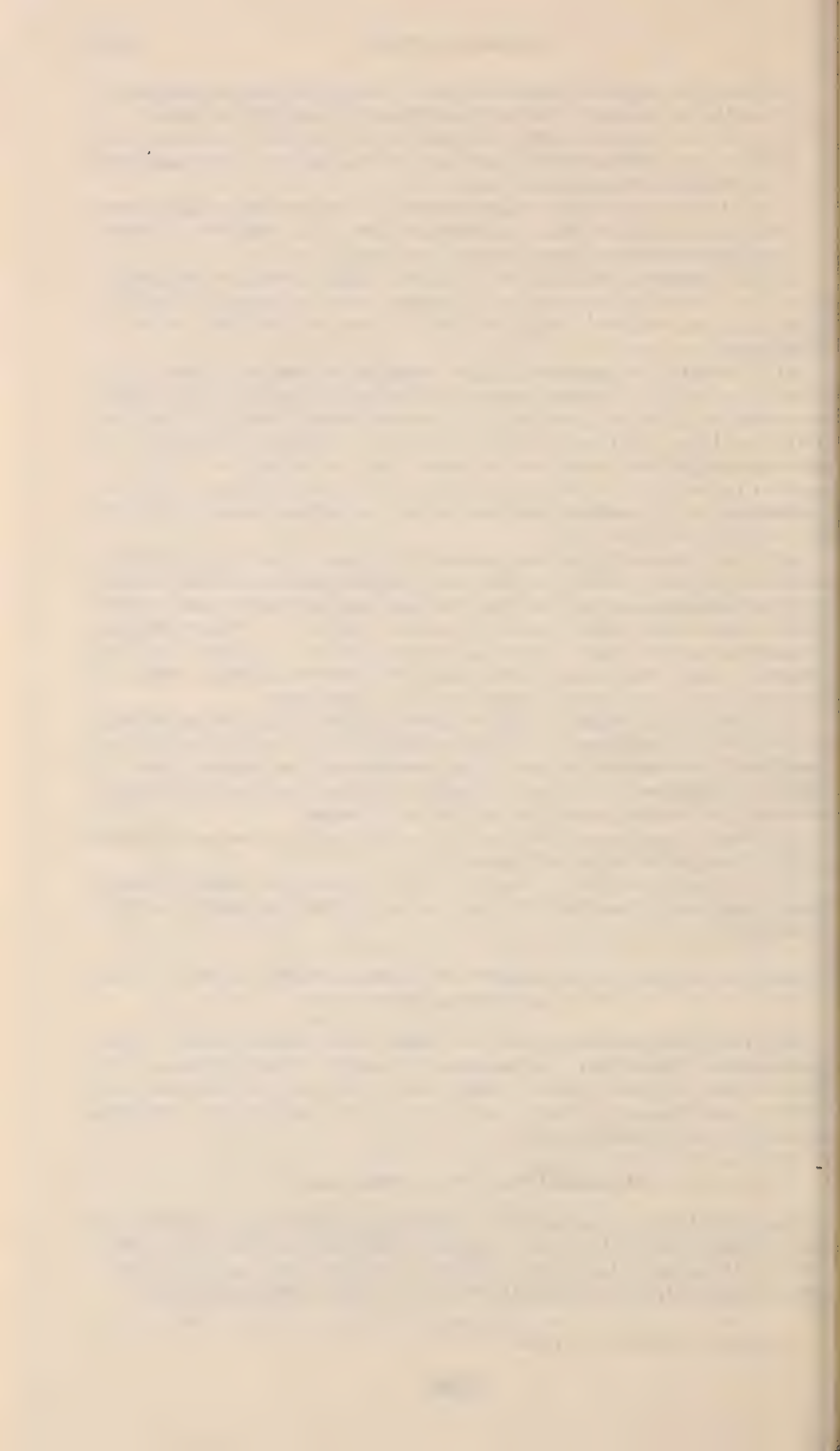
SEC. 806. The Secretary shall coordinate the administration of the provisions of this title in cooperation with other Federal agencies and assure that projects assisted under this title are coordinated with efforts undertaken by State and local public and private entities, including arts organizations.

AUTHORIZATION OF APPROPRIATIONS

SEC. 807. There are authorized to be appropriated for carrying out the purposes of this title not to exceed \$5,000,000 for fiscal year 1979, and not to exceed \$10,000,000 for fiscal year 1980. Any amounts appropriated under this section shall remain available until expended.

* * * * *

Approved October 31, 1978.



NATIONAL COMMISSION ON NEIGHBORHOODS
EXCERPTS FROM THE SUPPLEMENTAL HOUSING AUTHORIZATION
ACT OF 1977

[Public Law 95-24, 91 Stat. 55, 12 U.S.C. 1701]

* * * * *

TITLE II—NATIONAL COMMISSION ON
NEIGHBORHOODS

SHORT TITLE

SEC. 201. This title may be cited as the “National Neighborhood Policy Act”.

FINDINGS AND PURPOSE

SEC. 202. (a) The Congress finds and declares that existing city neighborhoods are a national resource to be conserved and revitalized wherever possible, and that public policy should promote that objective.

(b) The Congress further finds that the tendency of public policy incentives to ignore the need to preserve the built environment can no longer be defended, either economically or socially, and must be replaced with explicit policy incentives encouraging conservation of existing neighborhoods. That objective will require a comprehensive review of existing laws, policies, and programs which affect neighborhoods, to assess their impact on neighborhoods, and to recommend modifications where necessary.

ESTABLISHMENT OF COMMISSION

SEC. 203. (a) There is hereby established a commission to be known as the National Commission on Neighborhoods (hereinafter referred to as the “Commission”).

(b) The Commission shall be composed of twenty members, to be appointed as follows:

(1) two Members of the Senate appointed by the President of the Senate;

(2) two Members of the House of Representatives appointed by the Speaker of the House of Representatives; and

(3) sixteen public members appointed by the President of the United States from among persons specially qualified by experience and training to perform the duties of the Commission, at least five of whom shall be elected officers of recognized neighborhood organizations engaged in development and revitalization programs, and at least five of whom shall be elected or appointed officials of local governments involved in preservation programs.

The remaining members shall be drawn from outstanding individuals with demonstrated experience in neighborhood revitalization activities, from such fields as finance, business, philanthropic, civil, and educational organizations.

The individuals appointed by the President of the United States shall be selected so as to provide representation to a board cross section of racial, ethnic, and geographic groups. The two members appointed pursuant to clause (1) may not be members of the same political party, nor may the two members appointed pursuant to clause (2) be members of the same political party. Not more than eight of the members appointed pursuant to clause (3) may be members of the same political party.

(c) The Chairman shall be appointed by the President, by and with the advice and consent of the Senate, from among the public members.

(d) The executive director shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals recommended by the Commission.

DUTIES

SEC. 204. (a) The Commission shall undertake a comprehensive study and investigation of the factors contributing to the decline of city neighborhoods and of the factors necessary to neighborhood survival and revitalization. Such study and investigation shall include, but not be limited to—

(1) an analysis of the impact of existing Federal, State, and local policies, programs, and laws on neighborhood survival and revitalization;

(2) an identification of the administrative, legal, and fiscal obstacles to the well-being of neighborhoods;

(3) an analysis of the patterns and trends of public and private investment in urban areas and the impact of such patterns and trends on the decline or revitalization of neighborhoods;

(4) an assessment of the existing mechanisms of neighborhood governance and of the influence exercised by neighborhoods on local government;

(5) an analysis of the impact of poverty and racial conflict on neighborhoods;

(6) an assessment of local and regional development plans and their impact on neighborhoods; and

(7) an evaluation of existing citizen-initiated neighborhood revitalization efforts and a determination of how public policy can best support such efforts.

(b) The Commission shall make recommendations for modifications in Federal, State, and local laws, policies, and programs necessary to facilitate neighborhood preservation and revitalization. Such recommendations shall include, but not be limited to—

(1) new mechanisms to promote reinvestment in existing city neighborhoods;

(2) more effective means of community participation in local governance;

(3) policies to encourage the survival of economically and socially diverse neighborhoods;

(4) policies to prevent such destructive practices as blockbusting, redlining, resegregation, speculation in reviving neighborhoods, and to promote homeownership in urban communities;

(5) policies to encourage better maintenance and management of existing rental housing;

(6) policies to make maintenance and rehabilitation of existing structures at least as attractive from a tax viewpoint as demolition and development of new structures;

(7) modification in local zoning and tax policies to facilitate preservation and revitalization of existing neighborhoods; and

(8) reorientation of existing housing and community development programs and other tax and subsidy policies that affect neighborhoods, to better support neighborhood preservation efforts.

(c) Not later than fifteen months¹ after the date on which funds first become available to carry out this title, the Commission shall submit to the Congress and the President a comprehensive report on its study and investigation under this subsection which shall include its findings, conclusions, and recommendations and such proposals for legislation and administrative action as may be necessary to carry out its recommendations.

COMPENSATION OF MEMBERS

SEC. 205. (a) Members of the Commission who are Members of Congress or full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission.

(b) Members of the Commission, other than those referred to in subsection (a), shall receive compensation at the rate of \$100 per day for each day they are engaged in the actual performance of the duties vested in the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

ADMINISTRATIVE PROVISIONS

SEC. 206. (a) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, but at rates not in excess of a maximum rate for GS-18 of the General Schedule under section 5332 of such title.

(b) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission but not in excess of \$100 per day, including traveltime. While away from his

¹ Sec. 315, Housing and Community Development Amendments, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978, replaced "one year" and substituted in lieu thereof "fifteen months."

or her home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

(c) Each department, agency, and instrumentality of the United States is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Chairman is further authorized to call upon the departments, agencies, and other offices of the several States to furnish, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title.

(d) The Commission may award contracts and grants for the purposes of evaluating existing neighborhood revitalization programs and the impact of existing laws on neighborhoods. Awards under this subsection may be made to—

(1) representatives of legally chartered neighborhood organizations;

(2) public interest organizations which have a demonstrated capability in the area of concern; and

(3) universities and other not-for-profit educational organizations.

(e) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, take testimony, and administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or member thereof. Hearings by the Commission will be held in neighborhoods with testimony received from citizen leaders and public officials who are engaged in neighborhood revitalization programs.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 207. There are authorized to be appropriated not to exceed \$1,000,000 to carry out this title.

EXPIRATION OF THE COMMISSION

SEC. 208. The Commission shall cease to exist thirty days after the submission of its report under section 204.

Approved April 30, 1977.

URBAN RENEWAL¹

TITLE I, HOUSING ACT OF 1949, AS AMENDED

[Public Law 171, 81st Congress; 63 Stat. 413, 414; 42 U.S.C. 1450]

TITLE I—SLUM CLEARANCE AND URBAN RENEWAL

PART A² URBAN RENEWAL PROJECTS, DEMOLITION PROGRAMS, AND CODE ENFORCEMENT PROGRAMS

URBAN RENEWAL FUND

SEC. 100. The authorizations, funds, and appropriations available pursuant to sections 102 and 103 hereof shall constitute a fund, to be known as the "Urban Renewal Fund", and shall be available for advances, loans, and grants³ to local public agencies for urban renewal projects in accordance with the provisions of this title, and all contracts, obligations, assets, and liabilities existing under or pursuant to said sections prior to the enactment of the Housing Act of 1954 are hereby transferred to said Fund.

LOCAL RESPONSIBILITIES

SEC. 101. (a) In entering into any contract for advances for surveys, plans, and other preliminary work for projects under this title or⁴ for grants pursuant to section 103(d), the Secretary⁵ shall give consideration to the extent to which appropriate local public bodies have undertaken positive programs (through the adoption, modernization, administration, and enforcement of housing, zoning, building and other local laws, codes and regulations relating to land use and adequate standards of health, sanitation, and safety for buildings, including the use and occupancy of dwellings) for (1) preventing the spread or recurrence in the community of slums and blighted areas, and (2) encouraging housing cost reductions through the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs.

¹ Urban Renewal laws for certain territories and other jurisdictions which are not part of the United States can be found in Part I and public housing.

² Sec. 501(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 518, inserted this heading.

³ Sec. 417(1), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 676, substituted "grants" for "capital grants".

⁴ Sec. 417(2), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 677, inserted "or for grants pursuant to section 103(d)".

⁵ Sec. 6, Public Law 90-19, approved May 25, 1967, 81 Stat. 17, 21, substituted "Secretary" for "Administrator" throughout title I in order to make it conform to the Department of Housing and Urban Development Act which placed all functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

(b) In the administration of this title, the Secretary shall encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permits such agencies to contribute effectively toward the solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis. The¹ Secretary shall particularly encourage the utilization of local public agencies established by the States to operate on a statewide basis in behalf of smaller communities within the State which are undertaking or propose to undertake urban renewal programs whenever that arrangement facilitates the undertaking of an urban renewal program by any such community, or provides an effective solution to community development or redevelopment problems in such communities, and is approved by resolution or ordinance of the governing bodies of the affected communities.

(c)² No contract shall be entered into for any loan or capital grant under this title, unless (1) there is presented to the Secretary by the locality a workable program for community improvement² (which shall include an official plan of action, as it exists from time to time, for effectively dealing with the problem of urban slums and blight within the community and for the establishment and preservation of a well-planned community with well-organized residential neighborhoods of decent homes and suitable living environment for adequate family life) for utilizing appropriate private and public resources to eliminate, and prevent the development or spread of, slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted, deteriorated, or slum areas, or to undertake such of the aforesaid activities or other feasible community activities as may be suitably employed to achieve the objectives of such a program, and (2) on the basis of his review of such program, the Secretary determines that such program meets the requirements of this subsection and certifies that the Federal assistance may be made available in such community: *Provided*,³ That commencing three years after the date of enactment of the Housing Act of 1964⁴ or, in⁵ the case of an Indian tribe, band, or nation, commencing January 1, 1970; no workable program shall be certified or recertified unless (A) the locality has had in effect, for at least six months prior to such certification or recertification, a minimum standard housing code, related but not limited to health, sanitation, and occupancy requirements, which is deemed adequate by the Secretary, and (B) the Secretary is satisfied that the locality is carrying out an effective program of enforcement to achieve compliance with such housing code. Notwithstanding⁶ any other provision of law, in the case of a contract with an Indian tribe,

¹ This sentence added by sec. 401, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 670.

² Sec. 217, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 390, amended section 101(c) to eliminate the workable program requirement for low-rent public housing and section 221(d)(3) projects; sec. 101(c) is also amended by the "Supplemental Housing Authorization Act of 1977," Public Law 95-24, approved April 30, 1977, to read as set forth in the text.

³ Sec. 301 (a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785, added this proviso.

⁴ September 2, 1964.

⁵ Sec. 513, Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 525, added "in the case of an Indian Tribe, band, or nation, commencing January 1, 1970".

⁶ This sentence added by sec. 302(b), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 474.

band, or nation (or a public housing or other public agency for such tribe, band, or nation established under State or tribal law), the workable program and minimum standards housing code, referred to in the preceding sentence, may be presented to the Secretary by such tribe, band, or nation, and it shall be subject to the requirements of law with respect to such program and code only to the extent that such tribe, band, or nation has the legal jurisdiction and power to carry out such requirements.

(d) The Secretary is authorized to establish facilities (1) for furnishing to communities, at their request, an urban renewal service to assist them in the preparation of a workable program as referred to in the preceding subsection and to provide them with technical and professional assistance for planning and developing local urban renewal programs (including¹ rehabilitation projects requiring no additional assistance under this title or self-liquidating redevelopment projects), and (2) for the assembly, analysis and reporting of information pertaining to such programs.

(e) No² loan or grant contract may be entered into by the Secretary for an urban renewal project unless he determines that (1) the workable program for community improvement presented by the locality pursuant to subsection (c) is of sufficient scope and content to furnish a basis for evaluation of the need for the urban renewal project; and (2) such project is in accord with the program.

LOANS

SEC. 102. (a) To assist local communities in the elimination of slums and blighted or deteriorated or deteriorating areas, in preventing the spread of slums, blight or deterioration, and in providing maximum opportunity for the redevelopment, rehabilitation, and conservation of such areas by private enterprise, the Secretary may make temporary and definitive loans to local public agencies in accordance with the provisions of this title for the undertaking of urban renewal projects. Such loans (outstanding at any one time) shall be in such amounts not exceeding the estimated expenditures to be made by the local public agency for³ such purposes, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner and be repaid within such period (not exceeding, in the case of definitive loans, forty years from the date of the bonds or other obligations evidencing such loans), as may be deemed advisable by the Secretary. In⁴ any case where, in connection with its undertaking and carrying out of an urban renewal project, a local public agency is authorized (under the circumstances in which the temporary loan herein provided is requested) to acquire real property in the urban renewal area, the Secretary, in addition to all other authority under this title and notwithstanding any other provisions of this title, regardless of the stage of development of the urban renewal plan and whether before or after the approval thereof, may make a temporary

¹ Sec. 302, Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785, inserted this parenthetical phrase.

² Sec. 302(a)(1), Housing and Urban Development Act of 1965, Public Law 80-117, approved August 10, 1965, 79 Stat. 451, 474, added subsec. (e).

Sec. 302(a)(2) of the Housing and Urban Development Act of 1965 provided that the requirements imposed by subsec. (e) shall not be applicable to any project which received Federal recognition prior to the date of the enactment of this Act (August 10, 1965).

³ Sec. 402(a), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 671, substituted "for such purposes" for "as part of the gross project cost".

⁴ This sentence added by sec. 403, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 671.

loan or loans to any such local public agency to finance the acquisition of such real property: *Provided*, That no loan for such purpose shall be made unless (1) the governing body of the locality involved shall have approved by resolution or ordinance the acquisition of real property in the urban renewal area, and (2) either (A) the Secretary shall have determined that such loan is reasonably secured by a first mortgage or other prior lien upon such real property or is otherwise reasonably secured, or (B) the governing body of the locality shall have assumed the responsibility to bear any loss that may arise as the result of such acquisition in the event that the property so acquired is not used for urban renewal purposes because the urban renewal plan for the project is not approved, or is amended to omit any of the acquired property, or is abandoned for any reason: *Provided further*, That the Secretary may, in his discretion and subject to such conditions as he may impose, permit any structure so acquired to be demolished and removed, and may include in any loan authorized by this section the cost of such demolition and removal, together¹ with administrative, relocation, and other related costs and payments, if the approval of the local governing body extends to such demolition and removal: *And provided further*, That the loan contract shall provide that the local public agency shall not dispose of such real property (except in lieu of foreclosure) until the local governing body of the locality involved shall have either approved the urban renewal plan for the project or consented to the disposal of such real property.² Notwithstanding any other provision of this title, the Secretary may make a temporary loan, as described in the first two sentences of this subsection, for two or more urban renewal projects being carried out by the same local public agency. The principal amount of any such loan which is outstanding at any one time shall not exceed the estimated expenditures to be made by the local public agency for such projects.

(b) In connection with any project on land which is open or predominantly open, the Secretary may make temporary loans to municipalities or other public bodies for the provision of public buildings or facilities necessary to serve or support the new uses of such land in the project area. Such temporary loans shall be in such amounts not exceeding the expenditures to be made for such purpose, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding ten years from the date of the obligations evidencing such loans), as may be deemed advisable by the Secretary.

(c) Loans made pursuant to subsection (a) or (b) hereof may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government,³ it may do so with the consent of the Secretary at such

¹ Sec. 314(b), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 172, inserted the language permitting the inclusion of "administrative, relocation, and other related costs and payments."

² Sec. 303(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964 78 Stat. 769, 785, added the remainder of this paragraph.

³ Sec. 507(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 522, struck out "at interest rates lower than provided in the loan contract".

times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and in any such case, the Secretary is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the¹ principal of and the interest on the loan funds so obtained from other sources: *Provided*,² That, at any time during the undertaking of the project, the Secretary may make a supplemental grant to the local public agency in the amount of the difference between the interest cost from a source other than the Federal Government and the interest cost at the contract rate, or a supplemental grant in an amount which he determines is necessary to enable a local public agency to obtain funds from a source other than the Federal Government and no part of the amount of any such grant shall be required to be contributed as a part of the local grant-in-aid.

In³ connection with any such pledge of a loan contract, including loan payments thereunder, as security for the repayment of obligations of the local public agency held by other than the Federal Government, the Secretary is authorized to agree to pay, through operations of a paying agent or agents, and to pay or cause to be paid when due, from funds obtained pursuant to subsection (e) of this section, to the holders of such obligations (or to their agents or designees) the principal of and the interest on such obligations, subject to such conditions as the Secretary may determine but without regard to any other condition or requirement. Notwithstanding any other provision of law, any contract or other instrument executed by the Secretary which, by its terms, includes an obligation of the Secretary to make payment pursuant to this subsection shall be construed by all officers of the United States separate and apart from the loan contract and shall be incontestable in the hands of a bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary pursuant to this subsection.

(d) The Secretary may make advances of funds to local public agencies for surveys⁴ of urban areas to determine whether the undertaking of urban renewal projects therein may be feasible and for surveys and plans for urban renewal projects which may be assisted under this title, including, but not limited to, (i) plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, (ii) plans for the enforcement of State and local laws, codes, and regulations relating to the use of land and the use and occu-

¹ Sec. 402(b), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 671, inserted "the principal of and the interest on".

² Sec. 208, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 387, amended this proviso which gives the Secretary of HUD authority to make supplemental grants from private sources (previously limited to the amount by which the interest cost on a loan from such sources exceeds the interest cost at the Federal contract rate), to authorize the Secretary to make such grants in an amount which he determines is necessary to enable a local public agency to obtain funds from private sources. The proviso was originally added by sec. 507(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 522.

³ Sec. 302(a), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 166, added the remaining provisions in sec. 102(c).

⁴ Sec. 303(b), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1100, inserted the language authorizing advances for surveys of urban areas to determine whether the undertaking of urban renewal projects in the areas may be feasible.

pancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements, and (iii) appraisals, title searches, and other preliminary work necessary to prepare for the acquisition of land in connection with the undertaking of such projects. The contract for any such advance of funds shall be made upon the condition that such advance of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to the local public agency for the undertaking of the project involved. No contract for any such advances of funds for surveys and plans for urban renewal projects which may be assisted under this title shall be made unless the governing body of the locality involved has by resolution or ordinance approved the undertaking of such surveys and plans and the submission by the local public agency of an application for such advance of funds. Notwithstanding¹ section 110(h) or the use in any other provision of this title of the term "local public agency" or "local public agencies" the Secretary may make advances of funds under this subsection for surveys and plans for an urban renewal project (including General Neighborhood Renewal Plans as hereinafter defined) to a single local public body which has the authority to undertake and carry out a substantial portion, as determined by the Secretary, of the surveys and plans or the project respecting which such surveys and plans are to be made: *Provided*, That the application for such advances shows, to the satisfaction of the Secretary, that the filing thereof has been approved by the public body or bodies authorized to undertake the other portions of the surveys and plans or of the project which the applicant is not authorized to undertake.

In² order to facilitate proper preliminary planning for the attainment of the urban renewal objectives of this title, the Secretary may also make advances of funds (in addition to those authorized above) to local public agencies for the preparation of General Neighborhood Renewal Plans (as herein defined). A General Neighborhood Renewal Plan may be prepared for an area consisting of an urban renewal area or areas, together with any adjoining areas having specially related problems, and which is of such size that the urban renewal activities in the urban renewal area or areas may have to be initiated in stages, consistent with the capacity and resources of the respective local public agency or agencies, over an estimated period of not more than eight years. No contract for advances for the preparation of a General Neighborhood Renewal Plan may be made unless the Secretary has determined that:

(1) in the interest of sound community planning, it is desirable that the urban renewal activities proposed for the area be planned in their entirety;

¹ This sentence added by sec. 301, Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1097.

² Sec. 303, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 475, amended the first sentence of this paragraph to (1) eliminate the requirement that the whole area covered by the general neighborhood renewal plan be an urban renewal area, and (2) to permit urban renewal projects undertaken in general neighborhood renewal plan areas to be initiated within a maximum of eight years rather than ten years.

Remaining provisions in this subsection added by sec. 303(a), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1099. However, a technical amendment was made by sec. 303 of the Housing and Urban Development Act of 1965 in the language in paragraph numbered (1) in order to conform that language to the amendment described in the first paragraph of this footnote.

(2) the local public agency proposes to undertake promptly an urban renewal project embracing at least 10 per centum of such area, upon completion of the General Neighborhood Renewal Plan and the preparation of an urban renewal plan for such project; and

(3) the governing body of the locality has by resolution or ordinance (i) approved the undertaking of the General Neighborhood Renewal Plan and the submission of an application for such advance and (ii) represented that such plan will be used to the fullest extent feasible as a guide for the provision of public improvements in such area and that the plan will be considered in formulating codes and other regulatory measures affecting property in the area and in undertaking other local governmental activities pertaining to the development, redevelopment, rehabilitation, and conservation of the area.

The contract for any such advance of funds for a General Neighborhood Renewal Plan shall be made upon the condition that such advance shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to the local public agency for the undertaking of the first urban renewal project in such area: *Provided*, That in the event of the undertaking of any other project or projects in such area an appropriate allocation of the amount of the advance, with interest, may be effected to the end that each such project may bear its proper allocable part, as determined by the Secretary, of the cost of the General Neighborhood Renewal Plan. As used herein, a General Neighborhood Renewal Plan means a preliminary plan (conforming in the determination of the governing body of the locality, to the general plan of the locality as a whole and to the workable program of the community meeting the requirements of section 101) which outlines the urban renewal activities proposed for the area involved, provides a framework for the preparation of urban renewal plans and indicates generally, to the extent feasible in preliminary planning, the land uses, population density, building coverage, prospective requirements for rehabilitation and improvement of property, and any portions of the area contemplated for clearance and redevelopment.

(e)¹ The total amount of loan contracts outstanding at any one time under this title shall not exceed the aggregate of the estimated expenditures to be made by local public agencies as part of the gross project cost of the projects assisted by such contracts. To obtain funds for advance and loan disbursements under this title, the Secretary may issue and have outstanding at any one time notes and obligations for

¹ Immediately prior to amendment by sec. 404, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 671, this subsection reads as follows:

"(e) To obtain funds for loans under this title, the Administrator, on and after July 1, 1949, may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed \$25,000,000, which limit on such outstanding amount shall be increased by \$225,000,000 on July 1, 1950, and by further amounts of \$250,000,000 on July 1 in each of the years 1951, and 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed \$1,000,000,000) such limit, and any such authorized increase herein, may be increased, at any time or times, by additional amounts aggregating not more than \$250,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest."

purchase by the Secretary of the Treasury in an amount which shall not, unless authorized by the President exceed \$1,000,000,000. For the purpose of establishing unpaid obligations as of a given date against the authorization contained in the preceding sentence, the Secretary shall estimate the maximum amount to be required to be borrowed from the Treasury and outstanding at any one time with respect to loan commitments in effect on such date.

(f) Notes or other obligations issued by the Secretary under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(g) Obligations, including interest thereon, issued by local public agencies for projects assisted pursuant to this title, and income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States.

CAPITAL GRANTS

SEC. 103. (a) (1) The Secretary may make capital grants to local public agencies in accordance with the provisions of this title for urban renewal projects: *Provided*, That the Secretary shall not make any contract for capital grant with respect to a project which consists of open land (other¹ than land within the purview of section 110 (c) (1) (v)), except² that he may contract for a grant in an amount not to exceed two-thirds of the difference between the proceeds from any land disposed of pursuant to section 107 and the fair value of the land without regard to such section.

¹ Language in this parenthesis inserted by sec. 741(a), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1805.

² Sec. 506, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 522, added the balance of this sentence.

(2) The ¹ aggregate of such capital grants with respect to all of the projects of a local public agency (or of two or more local public agencies in the same municipality) on which contracts for capital grants have been made under this title shall not exceed the total of—

(A) two-thirds of the aggregate net project costs of all such projects to which neither subparagraph (B) nor subparagraph (C) applies, and

(B) ² three-fourths of the aggregate net project costs of any such projects which are located in (i) a municipality having a population of fifty thousand or less according to the most recent decennial census, or (ii) a municipality situated in a labor market area which, at the time the contract or contracts involved are entered into or at such earlier time as the Secretary may specify in order to avoid hardship, or ³ at any time after such contract or contracts are entered into and prior to the time the final grant payment has been made pursuant thereto, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act ⁴ or any other legislation enacted after the date of the enactment of the Housing and Urban Development Act of 1965 containing standards for designation as a redevelopment area generally comparable to those set forth in the second sentence of section 5(a) of the Area Redevelopment Act, and

(C) three-fourths of the aggregate net project costs of any of such projects (not falling within subparagraph (B)) which the Secretary, upon request, may approve on a three-fourths capital grant basis.

(3) A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.

¹ Immediately prior to amendment by sec. 301(a), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 165, the balance of this subsection read as follows:

"The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title, exclusive of projects referred to in the proviso hereto, shall not exceed two-thirds of the aggregate of the net project costs of such nonexcluded projects: *Provided*, That the aggregate of such capital grants may exceed two-thirds but not three-fourths of the aggregate net project costs of those projects which the Administrator, at the request of a local public agency, may approve on such a three-fourths capital grant basis. A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project."

² Sec. 313, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 479, amended this subpar. (B) to remove the 150,000 population limitation for three-fourths grants for urban renewal projects located in areas designated as redevelopment areas under sec. 401(a) of the Public Works and Economic Development Act of 1965 (which superseded the Area Redevelopment Act) with respect to all such projects placed under contract for capital grants after the date of the enactment of the Housing and Urban Development Act of 1965 (August 10, 1965).

³ Sec. 704, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1281, inserted "or at any time after such contract or contracts are entered into and prior to the time the final grant payment has been made pursuant thereto".

⁴ The Area Redevelopment Act was superseded by the Public Works and Economic Development Act of 1965. Public Law 89-136, 79 Stat. 552, 42 U.S.C. 3121.

(b) The Secretary may, with the approval of the President,¹ contract to make grants under this title aggregating not to exceed \$7,600,000,000,² which amount shall be increased by \$1,400,000,000 on July 1, 1969, and by \$1,700,000,000 on July 1, 1970, by \$1,500,000,000 on July 1, 1971, by \$250,000,000 on July 1, 1972, and \$664,000,000 on July 1, 1973, and by such sums as may be necessary thereafter.³

Not less than 35 per centum of the amounts available to the Secretary for grants under this title during each of the fiscal years commencing after June 30, 1969, and ending prior to July 1, 1974, shall be for grants under part B.

In ⁴ addition to the authority to make grants provided in the first sentence of this subsection, the Secretary may contract to make grants under this title, on or after July 1, 1967, in an amount not to exceed \$600,000,000: ⁵ *Provided*, That the authority to contract to make grants provided by this sentence shall be exercised only with respect to an urban renewal project which is identified and scheduled to be carried out as one of the projects or activities included within an approved comprehensive city demonstration program assisted under the provisions of section 105(c) of the Demonstration Cities and Metropolitan Development Act of 1966. Such grants shall not be used for major long-term capital improvement; shall not exceed two-thirds of the cost, as determined or estimated by the Secretary, of the project for which the grant is made; and shall be subject to such other terms and

¹ Executive Order 11196, empowered the Secretary to perform this function without the approval, ratification, or other action of the President.

Sec. 605(h), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1280, provides that no grants for historic preservation may be made under the urban renewal program, beginning 3 years after the date of enactment of this Act, except for activities in accord with criteria which the Secretary of Housing and Urban Development establishes as comparable to those used in connection with the National Register maintained by the Secretary of the Interior.

² The original authorization July 1, 1949, was \$100 million, with increases of \$100 million on July 1, 1950 through 1953. Sec. 106(a), Housing Amendments of 1955, Public Law 345, 84th Congress, approved Aug. 11, 1955, 69 Stat. 635, 637, increased the authorization by \$200 million on July 1, 1955, and July 1, 1956, and also authorized the President to provide an additional \$100 million of authorization. Sec. 301, Housing Act of 1957, Public Law 85-104, approved July 12, 1957, 71 Stat. 294, 299, increased the authorization by \$350 million. Sec. 405(1), Housing Act of 1959, Public Law 86-372, approved Sept. 23, 1959, 73 Stat. 654, 672, increased the authorization by \$350 million on Sept. 23, 1959, and by \$300 million July 1, 1960. Sec. 303, Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 166, increased the authorization by \$2 billion with \$25 million earmarked for mass transit demonstration grants. Sec. 304, Housing Act of 1964, Public Law 88-560, approved Sept. 2, 1964, 78 Stat. 769, 785, increased the authorization by \$725 million. Sec. 304(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved Aug. 10, 1965, 79 Stat. 451, 475, increased the authorization by \$675 million Aug. 10, 1965, and by \$725 million on July 1, 1966 and \$750 million on July 1, 1967 and 1968. The \$25 million authorization for mass transportation demonstration grants was also removed by sec. 304. Sec. 502(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, increased the authorization by \$1.4 million on July 1, 1969. Sec. 201, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 385, increased the authorization by \$1.7 million on July 1, 1970, and earmarked not less than 35 percent of available funds during each of the fiscal years 1970 and 1971 for neighborhood development programs. Sec. 201, Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1776, increased the authorization by \$1.5 million on July 1, 1971, and earmarked not less than 35 percent of available funds commencing after June 30, 1969 and ending prior to July 1, 1974 for neighborhood development programs. Sec. 4 of Public Law 92-503, approved October 18, 1972, 86 Stat. 906, increased the authorization by \$250 million on July 1, 1972.

See 1964 Amendments to the Alaska Omnibus Act (Public Law 88-451) *infra*, which authorizes \$25 million in urban renewal grants to be earmarked for disaster relief in Alaska made necessary by the 1964 earthquake and subsequent seismic waves. Sec. 5 of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, increased the authorization by \$664,000,000 on July 1, 1973.

³ Sec. 116(c) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, added the words "and by such sums as may be necessary thereafter."

⁴ Sec. 113, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1260, added this sentence.

⁵ Sec. 502(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, substituted "\$600,000,000" for "\$250,000,000".

conditions as he may prescribe. The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant contracted to be made pursuant to this section. The faith of the United States is solemnly pledged to the payment of all grants contracted for under this title and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments: *Provided*, That any amounts so appropriated shall also be available for repaying to the Secretary of the Treasury, for application to notes of the Secretary, the principal amounts of any funds advanced to local public agencies under this title which the Secretary determines to be uncollectible because of the termination of activities for which such advances were made, together with the interest paid or accrued to the Secretary of the Treasury (as determined by him) attributable to notes given by the Secretary in connection with such advances, but all such repayments shall constitute a charge against the authorization to make contracts for grants contained in this section: *Provided further*, That no such determination of the Secretary shall be construed to prejudice the rights of the United States with respect to any such advance.

(c)¹ Notwithstanding any other provision of this or any other Act, if financial assistance authorized by this title to be made available to a locality or local public agency may be made available to any locality or local public agency within the limitations provided in sections 102(e), 103(b), and 106(e), and the second paragraph following the paragraph numbered (6) of section 110(c), the amount of such financial assistance made available to any locality or local public agency upon submission and processing of proper application therefor shall not otherwise be restricted except on the basis of (1) urgency of need, and (2) feasibility, as determined by the Secretary.

(d)¹ The Secretary may contract to make grants for the preparation or completion of community renewal programs, which may include, without being limited to, (1) the identification of slum areas or blighted, deteriorated, or deteriorating areas in the community, (2) the measurement of the nature and degree of blight and blighting factors within such areas, (3) determination of the financial, relocation, and other resources needed and available to renew such areas, (4) the identification of potential project areas and, where feasible, types of urban renewal action contemplated within such areas, and (5) scheduling or programming of urban renewal activities. Such programs shall conform, in the determination of the governing body of the locality, to the general plan of the locality as a whole. The Secretary may establish reasonable requirements respecting the scope and content of such programs. No contract for a grant pursuant to this subsection shall be made unless the governing body of the locality involved has approved the preparation or completion of the community renewal program and the submission by the local public agency of an application for such a grant. Notwithstanding section 110(h) or the use in any other provision of this title of the term "local public

¹ Added by sec. 405(3), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 672.

agency" or "local public agencies," the Secretary may make grants pursuant to this subsection for the preparation or completion of a community renewal program to a single local public body authorized to perform the planning work necessary to such preparation or completion. No grant made pursuant to this subsection shall exceed two-thirds of the cost (as such cost is determined or estimated by the Secretary) of the preparation or completion of the community renewal program for which such grant is made.

REQUIREMENTS FOR LOCAL GRANTS-IN-AID

SEC. 104.¹ Every contract for capital grants under this title shall require local grants-in-aid in connection with the project involved. Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency (or two or more local public agencies in the same municipality) on which contracts for capital grants have theretofore been made, shall be at least equal to the total of one-third of the aggregate net project costs of such projects undertaken on a two-thirds capital grant basis and one-fourth of the aggregate net project costs of such projects undertaken on a three-fourths capital grant basis.

LOCAL DETERMINATIONS

SEC. 105. Contracts for loans or capital grants shall be made only with a duly authorized local public agency and shall require that—

(a) The urban renewal plan² for the urban renewal area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the project to be undertaken in accordance with the urban renewal plan; (ii) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise; (iii) the urban renewal plan conforms to a general plan for the development of the locality as a whole; and³ (iv) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities, as may be desirable for neighborhood improvement with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plan;

(b) When real property acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or

¹ Immediately prior to amendment by sec. 301(b), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 166, this section read as follows:

"SEC. 104. Every contract for capital grants under this title shall require local grants-in-aid in connection with the project involved. Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, shall not be required in excess of one-third of the aggregate net project costs of all projects of the local public agency on which contracts for capital grants have been made on the two-thirds basis or in excess of one-fourth of the aggregate net project costs of all projects of the local public agency on which contracts for capital grants have been made on the three-fourths basis."

² Sec. 302(a), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1097, deleted "(including any redevelopment plan constituting a part thereof)."

³ Sec. 315, Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 172, added clause (iv).

lessees and their assignees shall be obligated (i) to devote such property to the uses specified in the urban renewal plan for the project area; (ii) to begin within a reasonable time any improvements on such property required by the urban renewal plan; and (iii) to comply with such other conditions as the Secretary finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title: *Provided*, That clause (ii) of this subsection shall not apply to mortgagees and others who acquire an interest in such property as the result of the enforcement of any lien or claim thereon: *And provided further*,¹ That, with respect to any improvements of a type which it is otherwise authorized to undertake any Federal agency (as defined in section 3(b) of the Federal Property and Administrative Services Act of 1949, as amended, and also including the District of Columbia or any agency thereof) is hereby authorized to become obligated in accordance with this subsection, except that clause (ii) of this subsection shall apply to such Federal agency only to the extent that it is authorized (and funds have been made available) to make the improvements involved;

(c) (1) There shall be a feasible method for the temporary relocation of individuals² and families displaced from the urban renewal area, and there are or are being provided, in the urban renewal area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the individuals and families displaced from the urban renewal area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced individuals and families and reasonably accessible to their places of employment. The Secretary shall issue rules and regulations to aid in implementing the requirements of this subsection and in otherwise achieving the objectives of this title. Such rules and regulations shall require that there be established, at the earliest practicable time, for each urban renewal project involving the displacement of individuals, families, and business concerns occupying property in the urban renewal area, a relocation assistance program³ which shall include such measures, facilities, and services as may be necessary or appropriate in order (A) to determine the needs of such individuals, families, and business concerns for relocation assistance; (B) to provide information and assistance to aid in relocation and otherwise minimize the hardships of displacement, including⁴ information as to real estate agencies, brokers, and boards in or near the urban renewal area which

¹ Sec. 406, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 673 added this proviso.

² Sec. 205(a) (1), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 786, inserted "individuals and".

Sec. 305(a) (2) of the Housing Act of 1964 provided that the requirement imposed for the relocation of individuals from urban renewal areas shall not be applicable to any project receiving Federal recognition prior to the date of enactment of that Act (September 2, 1964).

³ Sec. 305(b), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 786, added the requirement for a relocation assistance program.

Sec. 305(c), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 786, amended the Small Business Act (15 U.S.C. 637) to direct the Small Business Administration to provide relocation assistance and information for small business concerns to be displaced from urban renewal areas, at the earliest practicable time.

⁴ Sec. 305(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 475, added the further requirement that a relocation assistance program include information as to real estate agencies, brokers, and boards in or near the urban renewal area which deal in residential or business property that might be appropriate for relocating displaced individuals, families, and business concerns.

deal in residential or business property that might be appropriate for the relocating of displaced individuals, families, and business concerns; and (C) to assure the necessary coordination of relocation activities with other project activities and other planned or proposed governmental actions in the community which may affect the carrying out of the relocation program, particularly¹ planned or proposed low-rent housing projects to be constructed in or near the urban renewal area.

(2)² As a condition to further assistance after the enactment of this paragraph with respect to each urban renewal project involving the displacement of individuals and families, the Secretary shall require, within a reasonable time prior to actual displacement, satisfactory assurance by the local public agency that decent, safe, and sanitary dwellings as required by the first sentence of this subsection are available for the relocation of each such individual or family.

(3)³ Within one year after the date of the enactment of this paragraph, and every two years thereafter, the Secretary shall review each locality's relocation plan under this subsection and its effectiveness in carrying out such plan.

(d) No land for any project to be assisted under this title shall be acquired by the local public agency except after public hearing following notice of the date, time, place, and purpose of such hearing.

(e)⁴ No understanding with respect to, or contract for, the disposition of land within an urban renewal area shall be entered into by a local public agency unless the local public agency shall have first made public, in such form and manner as may be prescribed by the Secretary, (1) the name of the redeveloper, together with the names of its officers and principal members, shareholders and investors, and other interested parties, (2) the redeveloper's estimate of the cost of any residential redevelopment and rehabilitation, and (3) the redeveloper's estimate of rentals and sales prices of any proposed housing involved in such redevelopment and rehabilitation: *Provided*, That nothing in this subsection shall constitute a basis for contesting the conveyance of, or title to, such land.

(f)⁵ A majority of the housing units provided in each community's total of such approved urban renewal projects as will be redeveloped for predominantly residential uses and which receive Federal recogni-

¹ Sec. 305(a), Housing and Urban Development Act of 1965, Public Law 89-117 approved August 10, 1965, 79 Stat. 451, 475, added the words "particularly planned or proposed low-rent housing projects to be constructed in or near the urban renewal area."

² This par. (2) added by sec. 305(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 475.

³ This par. (3) added by sec. 209, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 388.

⁴ Added by sec. 407, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 673.

Sec. 305(c) of the Housing and Urban Development Act of 1965 provided that the requirements imposed by the amendments made by subsec. (a) of that section should not be applicable to any project which received Federal recognition prior to the date of the enactment of that Act (August 10, 1965).

⁵ Sec. 512, Housing and Urban Development Act of 1968, Public Law 90-488, approved Aug. 1, 1968, 82 Stat. 476, 524, amended subsection (f) to read as set forth in the text. As originally added by sec. 703(a), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved Nov. 3, 1966, 80 Stat. 1255, 1281, subsection (f) read as follows:

"The redevelopment of the urban renewal area, unless such redevelopment is for predominantly nonresidential uses will provide a substantial number of units of standard housing of low and moderate cost and result in marked progress in serving the poor and disadvantaged people living in slum and blighted areas."

Sec. 703(b) of the Demonstration Cities and Metropolitan Development Act of 1966 provides that the requirements of subsec. 105(f) shall apply only in the case of contracts for loans or capital grants which are made with respect to urban renewal projects undertaken pursuant to urban renewal plans approved after the date of the enactment of that act (November 3, 1966).

tion after the date of enactment of the Housing and Urban Development Act of 1968 shall be standard housing units for low and moderate income families or individuals: *Provided*, That the units in each community's total of such approved urban renewal projects which are for low-income families or individuals shall constitute at least 20 per centum of the units in such projects, except that the Secretary may waive the requirement of this proviso in any community to the extent that units for low-income families and individuals are not needed. The Secretary shall promptly report any waiver under the proviso in the preceding sentence to the Committees on Banking and Currency of the Senate and the House of Representatives.

(g)¹ Consideration has been given to development of a sewer system to serve the urban renewal area which will, to the maximum extent feasible, provide for effective control of storm and sanitary wastes.

(h)² If any urban renewal project which receives Federal recognition after the date of the enactment of this subsection includes the demolition or removal of any residential structure or structures (whether or not it is a project taken into account for purposes of applying subsection (f)), there shall be provided in the area within which the local public agency has jurisdiction (by construction or rehabilitation) standard housing units for occupancy by low and moderate income families (including but not limited to units provided under Federal- or State-assisted housing programs and including units of low-rent housing in private accommodations assisted under section 23 of the United States Housing Act of 1937) at least equal in number to the number of units occupied by such families prior to the demolition or removal of such structure or structures: *Provided*, That the Secretary shall have authority where he deems it appropriate to take into account suitable housing outside such area for purposes of meeting the requirement of this subsection. If the Secretary finds that the percentage of vacancies for all existing housing units in the area within which the local public agency has jurisdiction is 5 per centum or greater, he may waive the requirements of this subsection to the extent that he determines there are existing standard housing units in such area which will be available for occupancy by low- and moderate-income families who are being displaced by the urban renewal project.

GENERAL PROVISIONS

Sec. 106. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary, notwithstanding the provisions of any other law, shall—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(2) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Secretary as the making of

¹ Added by sec. 706, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1281.

² Subsection (h) added by sec. 210, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 388.

advances of funds, loans, or grants¹ and vouchers approved by the Secretary in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

(b) Funds made available to the Secretary pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Secretary in connection with the performance of his functions under this title shall be available for any of the purposes of this title (except for grants¹ pursuant to section 103 hereof), and all funds available for carrying out the functions of the Secretary under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary in connection with the performance of such functions: *Provided*, That necessary expenses of inspections and audits, and of providing representatives at the site, of projects being planned or undertaken by local public agencies pursuant to this title shall be compensated by such agencies by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and such expenses shall be considered non-administrative; and for the purpose of providing such inspections and audits and of providing representatives at the sites, the Secretary may utilize any agency and such agency may accept reimbursement or payment for such services from such local public agencies or the Secretary, and credit such amounts to the appropriations or funds against which such charges have been made.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale, any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned, and such sums shall approximate the taxes which would be paid upon such property to the State or local taxing authority, as the case may be, if such property were not exempt from taxation;

¹ Sec. 417(1), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 676, substituted "grants" for "capital grants".

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title;

(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions (including such covenants, conditions, or provisions as, in the determination of the Secretary, are necessary or desirable to prevent the payment of excessive prices for the acquisition of land in connection with projects assisted under this title) as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this title shall be construed or administered to permit speculation in land holding; and

(8)¹ make advance or progress payments on account of any grant² contracted to be made pursuant to this title, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, or any other provisions of this title.

(d)³

(e) Not⁴ more than 12½ per centum of the grant funds provided for in this title shall be expended in any one State: *Provided*, That the Secretary, without regard to such limitation, may enter into contracts for grants aggregating not to exceed \$100,000,000 (subject to the total authorization provided in section 103(b) of this title) with local public agencies in States where more than two-thirds of the maximum grants permitted in the respective State under this subsection has been obligated.

(f)⁵

(g)⁶ No provision permitting the new construction of hotels or other housing for transient use in the redevelopment of any urban renewal area under this title shall be included in the urban renewal plan unless the community in which the project is located, under regulations prescribed by the Secretary, has caused to be made a competent independent analysis of the local supply of transient housing and as a result thereof has determined that there exists in the area a need for additional units of such housing.

¹ Par. 8 added by Public Law 370, 82d Congress, approved June 3, 1952, 66 Stat. 98, pursuant to this title if the amount of such contract does not exceed \$1,000.

² Sec. 417(1), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 676, substituted "grant" for "capital grant".

³ Immediately prior to repeal by sec. 1020(a), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1295, subsec. (d) read as follows: "Section 3709, as amended, of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired."

⁴ Immediately Prior to amendment by sec. 408, Housing Act of 1959, Public Law 86-372 approved September 23, 1959, 73 Stat. 654, 673, the language preceding the proviso read as follows:

"Not more than 12½ per centum of the funds provided for in this title, either in the form of loans or grants, shall be expended in any one State".

⁵ Authority for relocation payments originally authorized by this subsection was incorporated with additional provisions in a new sec. 114 by sec. 310(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788.

⁶ Added by sec. 410, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 674.

(h)¹ Notwithstanding any other provision of this title, no contract shall be entered into for any loan or capital grant under this title with any local public agency unless the local public agency establishes, by evidence satisfactory to the Secretary, that any urban renewal project with respect to which such local public agency has received a loan or capital grant under this title has been, or will be, undertaken and carried out in substantial accordance with the urban renewal plan, and any amendments thereto, approved with respect to such project, and the terms of the contract for loan or capital grant covering such project.

(i)² Upon determination of the Secretary that the local public agency does not expect to be able in the reasonably near future, due to circumstances beyond its control, to dispose of urban renewal project land acquired in accordance with the urban renewal plan and that all other project activities are completed except local grant-in-aid activities designated in the third proviso to section 110(d) under the conditions specified therein, and that a closeout of the urban renewal project pursuant to this subsection would be in the financial interest of the Federal Government, the urban renewal project may be deemed completed, net project cost may be computed, and the capital grant paid. To facilitate these actions, the Secretary may pay to the local public agency a grant, in addition to the capital grant otherwise payable, equal to one-third (or one-fourth in the case of projects funded on the three-fourths capital grant basis) of the estimated disposition proceeds of such land as accepted by the Secretary. No local grant-in-aid shall be required on account of this additional grant. The approval of the Secretary shall be obtained prior to the disposition of such land by the local public agency and net proceeds realized from the disposition of such land after project closeout shall be paid to the Secretary by the local public agency.

PROPERTY TO BE USED FOR PUBLIC HOUSING OR HOUSING FOR MODERATE INCOME FAMILIES³

SEC. 107. (a)⁴ Upon approval of the Secretary and subject to such conditions as he may determine to be in the public interest, any real

¹ Added by sec. 306, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 476.

² Immediately prior to amendment by sec. 213(a), Housing and Urban Development Act of 1969, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1779, section 106(1) read as follows:

"(1) Upon a determination by the Secretary that (1) not more than 5 per centum of the total area of land acquired as part of an urban renewal project remains to be disposed of, (2) the local public agency does not expect to be able, due to circumstances beyond its control, to dispose of such land in the near future, (3) all other project activities are completed, and (4) the local public agency has agreed to dispose of or retain such land for uses in accordance with the urban renewal plan, the urban renewal project may be deemed completed, and the net project cost may be computed and the capital grant paid."

³ Immediately prior to amendment by sec. 306(a)(1), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 168, the title of sec. 107 read: "PAYMENT FOR LAND USED FOR LOW-RENT PUBLIC HOUSING".

⁴ Sec. 306, Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 786, amended secs. 107(a) and (b) to permit the sale of real property in an urban renewal area at a special reduced price to purchasers for the purpose of providing for low- or moderate-income individuals. Prior to this amendment the sale of such property at a special reduced price was limited to low- or moderate-income families.

Sec. 306 of the Housing Act of 1964 further amended sec. 107(b) to permit the disposition of real property in an urban renewal area for housing for low-income families at the same reduced price as for housing for moderate income families.

Sec. 505, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 522, amended sec. 107(a) to permit land to be disposed of for both low- and moderate-income housing, and by lease as well as sale at a price consistent with its use for such purposes. Disposition was also permitted to mortgagors under the new interest rate subsidy programs for lower income families, or to approved purchasers or lessees other than those specified as well as mortgagors under the sec. 221(h)(1) program.

property held as part of an urban renewal project may be made available to (1) a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, or other approved purchaser or lessee, or (2) a purchaser or lessee who would be eligible for a mortgage insured under section 221 (d) (3) or (d) (4), section 221 (h) (1), section 235 (j) (1), or section 236 of the National Housing Act, for purchase or lease at fair value for use by such purchaser or lessee in the provision of new or rehabilitated housing for occupancy by families or individuals of low or moderate income: *Provided*,¹ That when property is made available under clause (1) to an approved purchaser or lessee other than a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, the Secretary shall assure that the benefits of this subsection will go to the occupant of the property rather than to such purchaser or lessee.

(b) When it appears in the public interest that real property acquired as part of an urban renewal project should be used in whole or in part for a low-rent housing project assisted under the United States Housing Act of 1937, or under a State or local program found by the Secretary to have the same general purposes as the Federal program under such Act, the property shall be made available to the public housing agency undertaking the low-rent housing project at a price equal to its fair value, as determined in accordance with subsection (a), and such amount shall be included as part of the development cost of such low-rent housing project: *Provided*, That the local contribution in the form of tax exemption or tax remission required by section 10 (h) of such Act, or by analogous provisions in legislation authorizing such State or local program, with respect to the low-rent housing project into which such property was incorporated on or after September 23, 1959, shall (if covered by a contract which, in the determination of the Secretary of Housing and Urban Development, will assure that such local contribution will be made during the entire period that the project is used as low-rent housing within the meaning of such Act, or by provisions found by the Secretary to give equivalent assurance in the case of the State or local programs) be accepted as a local grant-in-aid equal in amount, as determined by the Secretary, to one-half (or one-third in the case of an urban renewal project on a three-fourths capital grant basis) of the difference between the cost of such property (including costs of land, clearance, site improvements, and a share, prorated on an area basis, of administrative, interest, and other project costs) and its sales price, and shall be considered a local grant-in-aid furnished in a form other than cash within the meaning of section 110 (d) of this Act.

SURPLUS FEDERAL REAL PROPERTY

SEC. 108. The President² may at any time in his discretion, transfer or cause to be transferred, to the Secretary any right, title, or interest held by the Federal Government or any department or agency thereof in any land (including buildings thereon) which is surplus to the needs of the Government and which a local public agency certifies will

¹ Sec. 505 (6), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 522, added this proviso.

² Executive Order 11236, issued June 28, 1965, 30 Fed. Reg. 8447, provides that the Director of the Bureau of the Budget is designated and empowered to perform this function of the President without the approval, ratification, or other action of the President.

be within the area of a project being planned by it. When such land is sold to the local public agency by the Secretary, it shall be sold at a price equal to its fair market value, and the net ¹ proceeds from such sale shall be covered into the Treasury as miscellaneous receipts.

PROTECTION OF LABOR STANDARDS

SEC. 109. In order to protect labor standards—

(a) any contract for loan or capital grant pursuant to this title shall contain a provision requiring that not less than the salaries prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development of the project involved and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (49 Stat. 1011), shall be paid to all laborers and mechanics, except such laborers or mechanics who are employees of municipalities or other local public bodies, employed in the development of the project involved for work financed in whole or in part with funds made available pursuant to this title; and the Secretary shall require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract; and

(b) the provisions of title 18, United States Code, section 874, and of title 40, United States Code, section 276c, shall apply to work financed in whole or in part with funds made available for the development of a project pursuant to this title.

DEFINITIONS

SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Urban renewal area" means a slum area or a blighted, deteriorated, or deteriorating area in the locality involved which the Secretary approves as appropriate for an urban renewal project.

(b) "Urban renewal plan" means a plan, as it exists from time to time, for an urban renewal project, which plan (1) shall conform to the general plan of the locality as a whole and to the workable program referred to in section 101 hereof and shall be consistent with definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) shall be sufficiently complete to indicate, to ² the extent required by the Secretary for the making of loans and grants under this title such land acquisition, historic and architectural preservation,³ demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zon-

¹ Sec. 206, Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1777, inserted at this point the word "net".

² Sec. 412, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 675, inserted " , to the extent required by the Administrator for the making of loans and grants under this title."

³ Sec. 601(a), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1278, inserted "historic and architectural preservation."

ing and planning changes, if any, land uses, maximum densities, and building requirements.

(c)¹ "Urban renewal project" or "project" may include undertakings and activities of a local public agency in an urban renewal area for the elimination and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area,² or any combination or part thereof, in accordance with such urban renewal plan. Such undertakings and activities may include—

(1) acquisition of (i) a slum area or a deteriorated or deteriorating area, or (ii) land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community, or (iii) open land necessary for sound community growth which is to be developed for predominantly residential uses, or³ (iv) air rights in an area consisting principally of land in highways, railway or subway tracks, bridge or tunnel entrances, or other similar facilities which have a blighting influence on the surrounding area and over which air rights sites are to be developed for the elimination of such blighting influences and for the provision of housing (and related facilities and uses) designed specifically for, and limited to, families and individuals of low or moderate income or⁴ if the area is found by the local public agency to be unsuitable for use for low or moderate income housing, for use for the development of industrial or educational facilities, or⁵ (v) land or space which is vacant, unused, underused, or inappropriately used (including infrequently used rail yards and rail storage facilities, and excessive or vacated railroad rights-of-way; air rights over streets, expressways, railroads, waterways, and similar locations; land which is occupied by functionally obsolete nonresidential buildings or is used for low-utility purposes or is covered by shallow water or is subject to periodic flooding or consists of unused or underused slips or dock areas or other waterfront property; which land or space the Secretary determines may be developed (at a cost reasonably related to the public purpose to be served) without major residential

¹ Sec. 302(b) of the Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1097, consolidated the provisions in the definition of "urban renewal project" to avoid overlapping and duplication, and made the "predominantly residential" requirement applicable to the urban renewal area as a whole, rather than only to parts of the area which were to be cleared and redeveloped.

² The phrase "or a program of code enforcement in an urban renewal area," was deleted by sec. 311(b)(1), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 478. This phrase had been inserted by sec. 301(b), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785. A new sec. 117, relating to code enforcement, was added to the Housing Act of 1949 by sec. 311(a), Housing and Urban Development Act of 1965.

³ This clause added by sec. 308(a)(1), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 787.

⁴ Sec. 702(a), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1281, amended sections 110(c)(1) and (7) to permit air rights sites in urban renewal projects to be used for industrial development if determined to be unsuitable for use for low- and moderate-income housing, and to permit the cost of construction of foundations and platforms for air rights industrial sites to be counted as part of gross project cost.

⁵ Sec. 511, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 524, amended sec. 110(c) to permit the carrying out of air rights urban renewal projects and the construction of foundations and platforms to provide educational facilities.

⁶ Sec. 741(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1805, inserted clause (v) and also the reference to this clause (v) in the first proviso immediately following this clause.

clearance activities, and with full consideration to the preservation of beneficial aspects of the urban and natural environment, for such uses as are consistent with emphasis on housing for low- and moderate-income families, including the provision of schools, hospitals, parks, and other essential public facilities, and, where appropriate, all uses associated with new communities in town or similar large scale undertakings related to inner city needs, including concentrated sources of employment: *Provided*, That the requirement in paragraph (a) of this section that the area be a slum area or a blighted, deteriorated or deteriorating area shall not be applicable in the case of projects ¹ under clauses (iii), (iv), and (v) hereof: *Provided further*,² That the aggregate amount of capital grants for projects under clause (iv) shall not exceed 5 per centum of the aggregate amount of grants authorized by this title to be contracted for after the date of enactment of the Housing Act of 1964;³

(2) demolition and removal of buildings and improvements;

(3) installation, construction, or reconstruction of streets, utilities, parks, playgrounds, pedestrian ⁴ malls and walkways (including in the case of an enclosed mall or walkway any necessary roofs, walls, columns, lighting, and climate control facilities), and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this title in accordance with the urban renewal plan;

(4) disposition of any property acquired in the urban renewal area (including sale,⁵ leasing or retention by the local public agency itself) at its fair value for uses in accordance with the urban renewal plans or ⁶ as provided in section 107;

(5) carrying out plans for programs ⁷ of code enforcement or voluntary repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan;⁸

(6) acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of

¹ Sec. 308(a) (2), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 787, substituted "projects under clauses (iii) and (iv) hereof" for "an open land project."

² This proviso added by sec. 308(a) (3), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 787.

³ September 2, 1964.

⁴ Sec. 204(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 387, inserted "pedestrian malls and walkways" and also the language that immediately follows in parenthesis.

⁵ Sec. 314(c), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 172, deleted the word "initial".

⁶ Sec. 306(b), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 168, inserted "or as provided in section 107."

⁷ Sec. 301(c), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785, substituted "programs of code enforcement or" for "a program of".

Sec. 301(d) of the Housing Act of 1964 provided that any contract for a capital grant under title I of the Housing Act of 1949, executed prior to the date of enactment of the Housing Act of 1964 (September 2, 1964), may be amended to incorporate the provisions of subsec. (c) of sec. 301 for code enforcement costs incurred on or after such date.

⁸ Sec. 311(b) (2), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 478, deleted a proviso which made the inclusion of expenditures for code enforcement activities in an urban renewal project contingent upon agreement by a community to increase its total expenditures for such activities by an amount equal to its share of the project cost attributable to the code enforcement activities in the project area. This proviso had been inserted by sec. 301(c), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785. A new sec. 117, relating to code enforcement, was added to the Housing Act of 1949 by sec. 311(a), Housing and Urban Development Act of 1965.

blight or deterioration, to promote historic and architectural preservation,¹ or to provide land for needed public facilities;

(7)² Construction of foundations and platforms necessary for the development of air rights sites in accordance with the provisions of clause (iv) or (v) of paragraph (1) of this subsection.

(8)³ acquisition and repair or rehabilitation for resale by the local public agency, of structures which are located in the urban renewal area and which, under the urban renewal plan, are to be repaired or rehabilitated for dwelling use or related facilities;

(9)⁴ relocation within or outside the project area of structures which will be restored and maintained for architectural or historic purposes; and

(10) restoration of acquired properties of historic or architectural value.

Notwithstanding⁵ any other provision of this title, (A) no contract shall be entered into for any loan or capital grant under this title for any project which provides for demolition and removal of buildings and improvements unless the Secretary determines that the objectives of the urban renewal plan could not be achieved through rehabilitation of the project area, and (B)⁶ not less than 10 per centum of the aggregate amount of (i) grants authorized to be contracted for under this title by the Housing and Urban Development Act of 1965 and subsequent Acts, and (ii) loans authorized to be made under section 312 of the Housing Act of 1964, shall be available for projects assisted with such grants or loans which involve primarily code enforcement and rehabilitation.

For the purposes of this title, the term "project" shall not include (except⁷ as provided in paragraph (3) with respect to enclosed pedestrian malls and walkways and as provided in paragraphs (7), (8),⁸

¹ Sec. 601(a), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1278, amended par. (6) to read and architectural preservation.

² Immediately prior to amendment by sec. 741(c), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1805, paragraph (7) read as follows:

"(7) Construction of foundations and platforms necessary for the provision on air rights sites of housing (and related facilities and uses) designed specifically for, and limited to, families and individuals of low or moderate income, or construction of foundations and platforms necessary for the provision of air rights sites for the development of industrial or education facilities;"

³ Sec. 504, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, removed provisions which (1) limited the number of residential units which a local urban renewal agency could acquire and rehabilitate, and (2) limited the rehabilitation to "guidance purposes".

⁴ Sec. 601(c), Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1278, amended par. (9) to read as set forth in the text and added (10). Immediately prior to amendment by sec. 601(c) of the Demonstration Cities and Metropolitan Development Act of 1966, par. (9) read as follows:

"(9) relocating within the project area a structure which the local public agency determines to be of historic value and which will be disposed of to a public body or a private nonprofit organization which will renovate and maintain such structure for historic purposes."

This par. (9) had originally been added by sec. 309(a)(3), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477.

⁵ This paragraph down to the end of clause (A) added by sec. 307, Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 787.

⁶ Clause (B) added by sec. 307, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 476.

⁷ That part of this parenthetical phrase that refers only to par. (3) was inserted by sec. 204(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 387. That part of this parenthetical phrase that refers only to par. (7) was inserted by sec. 307(b), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 178.

⁸ Sec. 308(b)(3), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788, inserted the reference to par. (8).

(9),¹ and (10) above) the construction or improvement by any building, and the term "redevelopment" and derivatives thereof shall mean development as well as redevelopment. For any of the purposes of section 109 hereof, the term "project" shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 110(d) hereof.

Financial² assistance shall not be extended under this title with respect to any urban renewal area which is not predominantly residential in character and which, under the urban renewal plan therefor, is not to be redeveloped for predominantly residential uses: *Provided*, That, if the governing body of the local public agency determines that the redevelopment of such an area for predominantly nonresidential uses is necessary for the proper development of the community, the Secretary may extend financial assistance under this title for such a project: *Provided further*, That the aggregate amount of capital grants contracted to be made pursuant to this title with respect to such projects after the date of enactment of the Housing Act of 1959³ shall not exceed 30⁴ per centum of the aggregate amount of grants authorized by this title to be contracted for after such date: *And provided further*,⁵ That the aggregate amount of capital grants made available under this title with respect to such projects after the date of the enactment of the Housing and Urban Development Act of 1965⁶ may be in an amount not to exceed (in addition to amounts previously available for such projects) 35 per centum of the amount of additional capital grants authorized under this title by such Act.

⁷ In addition to all other powers hereunder vested, where land within the purview of clause (1)(ii) or (1)(iii) of the first paragraph of this subsection (whether it be predominantly residential or nonresidential in character) is to be redeveloped for predominantly nonresidential uses, loans and advances under this title may be extended therefor if the governing body of the local public agency determines that such redevelopment for predominantly nonresidential uses is necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives and to afford maximum opportunity for the redevelopment of the project area by private enterprise: *Pro-*

¹ Sec. 309(a)(4), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477, added the reference to par. (9).

² Immediately prior to amendment by sec. 413, Housing Act of 1959, Public Law 86-372 approved September 23, 1959, 73 Stat. 654, 675, this paragraph read as follows:

"Financial assistance shall not be extended under this title with respect to any urban renewal area which is not clearly predominantly residential in character unless such area will be a predominantly residential area under the urban renewal plan therefor: *Provided*, That, where such an area which is not clearly predominantly residential in character contains a substantial number of slum, blighted, deteriorated, or deteriorating dwellings or other living accommodations, the elimination of which would tend to promote the public health, safety, and welfare in the locality involved and such area is not appropriate for predominantly residential uses, the Administrator may extend financial assistance for such a project, but the aggregate of the capital grants made pursuant to this title with respect to such projects shall not exceed 10 per centum of the total amount of capital grants authorized by this title."

³ September 23, 1959.

⁴ Sec. 308, Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 168, substituted "30 per centum" for "20 per centum".

⁵ This proviso added by sec. 308, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477.

⁶ August 10, 1965.

⁷ Provisions of this paragraph enacted by sec. 106(c), Housing Amendments of 1955, Public Law 345, 84th Congress, approved August 11, 1955, 69 Stat. 635, 637.

vided, That loans and outstanding advances to any local public agency pursuant to the authorization of this sentence shall not exceed $2\frac{1}{2}$ per centum of the estimated gross project costs of the projects undertaken under other contracts with such local public agency pursuant to this title.

(d) "Local grants-in-aid" shall mean assistance¹ by a State, municipality, or other public body, or (in the case of cash grants or donations of land or other real property) any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants to² defray expenditures within the purview of section 110(e)(1) hereof; (2) donations, at cash value, of land or other real property (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project,³ or air rights over streets, alleys, and other public rights-of-way) in the urban renewal area, and demolition, removal, or other work or improvements in the urban renewal area, at the cost thereof, of the types described in clauses (2), (3), (7), (9), and (10)⁴ of the second sentence of section 110(c); and (3) the provision, at their cost, of public buildings or other public facilities (other than publicly owned housing⁵ and revenue producing public utilities the capital cost of which is wholly financed with local bonds or obligations payable solely out of revenues derived from service charges) which are necessary for carrying out in the area the urban renewal objectives of this title in accordance with the urban renewal plan: *Provided*, That in any case where, in the determination of the Secretary, any park, playground, public building, or other public facility is of direct benefit both to the urban renewal area and to other areas, and the approximate degree of the benefit to such other areas is estimated by the Secretary at 20 per centum or more of the total benefits, the Secretary shall provide that, for the purpose of computing the amount of the local grants-in-aid for the project, there shall be included only such portion of the cost of such facility as the Secretary estimates to be proportionate to the approximate degree of the benefit of such facility to the urban renewal area: *Provided further*,⁶ That any publicly owned facility, the construction of which was begun not earlier than three years prior to the date of enactment of the Demonstration Cities and Metropolitan Development Act of 1966, shall be

¹ Sec. 414(b), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 675, provided as follows:

"The requirement in section 110(d) of the Housing Act of 1949 that the assistance provided by a State, municipality, or other public body under that section, in order to qualify as a local grant-in-aid, shall be in connection with a project on which a contract for capital grant has been made under title I of that Act, shall not apply to assistance provided during the period from July 1, 1957, through December 31, 1957, in connection with urban renewal activities which were extended Federal recognition within sixty days after the provision of such assistance was initiated."

² The words "to defray expenditures within the purview of section 110(e)(1) hereof," added by sec. 302(3), Housing Act of 1957, Public Law 85-104, approved July 12, 1957, 71 Stat. 294, 300.

³ Sec. 308(c), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788, inserted the remainder of this parenthetical phrase.

⁴ Sec. 602, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1278, added clauses (9) and (10).

⁵ The phrase "public facilities financed by special assessments against land in the project area" was deleted at this point by sec. 302(c), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1099.

⁶ Sec. 701, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1280, inserted this proviso.

deemed to benefit an urban renewal project or projects to the extent of 25 per centum of the total benefits of such facility, or \$3,500,000, whichever is less, if such facility (A) (i) is used, or is to be used, by the public predominantly for cultural, exhibition, or civic purposes, or is a city hall or a public safety building, or (ii) is a facility, constructed or rehabilitated by or ¹ on behalf of a public university, which is or will be devoted to the treatment of physical or mental disabilities and illness or to medical research; (B) is located within, adjacent to, or in the immediate vicinity of such urban renewal project or projects; (C) is found to contribute materially to the objectives of the urban renewal plan or plans for such project or projects; and (D) is not otherwise eligible as a local grant-in-aid: *And provided further*, That for the purpose of computing the amount of local grants-in-aid under this section 110(d) with ² respect to any project covered by a Federal-aid contract under this title, the estimated cost (as determined by the Secretary) of parks, playgrounds, public buildings, or other public facilities may be deemed to be the actual cost thereof if (i) the construction or provision thereof is not completed at the time of final disposition of land in the project to be acquired and disposed of under the urban renewal plan, and (ii) the Secretary has received assurance satisfactory to him that such park, playground, public building, or other public facility will be constructed or completed when needed and within a time prescribed by him: *And provided further*,³ That in any case where a public facility furnished as a local grant-in-aid is financed in whole or in part by special assessments against real property in the project area acquired by the local public agency as part of the project, an amount equal to the total special assessments against such real property (or, in the case of a computation pursuant to the proviso immediately preceding, the estimated amount of such total special assessments) shall be deducted from the cost of such facility for the purpose of computing the amount of the local grants-in-aid for the project. With respect to any demolition or removal work, improvement or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, the portion of the cost thereof defrayed or estimated by the Secretary to be defrayed with such subsidy or grant shall not be eligible for inclusion as a local grant-in-aid.⁴

¹ Sec. 206, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 387, inserted "or on behalf of".

² The phrase "with respect to any project covered by a Federal-aid contract under this title," inserted by sec. 306, Housing Act of 1957, Public Law 85-104, approved July 12, 1957, 71 Stat. 294, 301.

³ This proviso added by sec. 302(c), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1099.

⁴ This sentence amended to read as set forth in the text by sec. 311, Housing Act of 1954, Public Law 560, 83d Congress, approved August 2, 1954, 68 Stat. 590, 626. As originally enacted this sentence read: "No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, or the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title."

See sec. 304, Territorial Enabling Act of 1950, Public Law 615, 81st Congress, approved July 18, 1950, 64 Stat. 344 (Virgin Islands).

See sec. 20, District of Columbia Redevelopment Act of 1945, as amended, Public Law 592, 79th Congress, 60 Stat. 790, District of Columbia Code, Title 5, sec. 717a.

Notwithstanding any other provision of this subsection, (except¹ the second sentence of this paragraph) no donation or provision of a public improvement or public facility of a type falling within the purview of this subsection shall be deemed to be ineligible as a local grant-in-aid for any project solely on the basis that the construction of such improvement or facility was commenced without notification to the Secretary or prior to Federal recognition of such project, if such construction was commenced not more than three years prior to the authorization by the Secretary of a contract for loan or capital grant for the project. In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the three-year period referred to above shall be extended to a period of four years prior to the authorization by the Secretary of a contract for loan or capital grant for the project.

Where² a project in any municipality includes an area affected by an underground mine fire or by a coal mine subsidence and where it is necessary in such project to remove any underlying coal deposits in order to stabilize the soil or to control the underground mine fire, then any royalties received by the project from the removal and sale of such coal deposits shall be credited to the project as a local grant-in-aid made by such municipality.

(e)³ "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash. There may be included as part of the

¹ Sec. 203(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted this parenthetical phrase and also added the second sentence of this paragraph. The first sentence of this paragraph was added by sec. 414(a), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 675.

² Sec. 314(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 479, added this paragraph.

Sec. 314(b) of the Housing and Urban Development Act of 1965 authorized urban renewal contracts executed prior to the date of enactment of that Act (August 10, 1965) to be amended to permit the crediting of coal royalties received by an urban renewal project as a local grant-in-aid.

³ Immediately prior to amendment by sec. 415, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 675, the first sentence in this section read as follows:

"(e) 'Gross project cost' shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash: *Provided*, That with respect to a project for which a contract for capital grant has been executed on a three-fourths basis pursuant to the proviso in the second sentence of section 103(a), gross project cost shall include, in lieu of the amount specified in clause (1), the amount of the expenditures by the local public agency with respect to the following undertakings and activities necessary to carry out such project:

"(i) acquisition of land (but only to the extent of the consideration paid to the owner and not title, appraisal, negotiating, legal, or any other expenditures of the local public agency incidental to acquiring land), disposition of land, demolition and removal of buildings and improvements, and site preparation and improvements, all as provided in paragraphs (1), (2), (3), (4), and (6) of section 110(c) and

"(ii) the payment of carrying charges related to the undertakings in clause (i), exclusive of taxes and payments in lieu of taxes, but not beyond the point where such project is completed;

but not the cost of any other undertakings and activities (including, but without being limited to, the cost of surveys and plans, legal services of any kind, and all administrative and overhead expenses of the local public agency) with respect to such project."

gross project cost, under any contract for loan or grant heretofore or hereafter executed under this title, with respect to moneys of the local public agency which are actually expended and outstanding for undertakings (other than in the form of local grants-in-aid) necessary to carry out the project, in the absence of carrying charges on such moneys, an amount in lieu of carrying charges which might otherwise have been payable thereon for the period such moneys are expended and outstanding but not beyond the point where the project is completed, computed for each six-month period or portion thereof, at an interest rate to be determined by the Secretary after taking into consideration for each preceding six-month period the average interest rate borne by any obligations of local public agencies for short-term funds obtained from sources other than the Federal Government in the manner provided in section 102(c): *Provided*, That such amount may be computed on the net total of all such moneys of the local public agency remaining expended and outstanding, less other moneys received from the project undertaken in excess of project expenditures, in all projects of the local public agency under this title and allocated, as the Secretary may determine, to each of such projects. With respect to a project for which a contract for capital grant has been executed on a three-fourths basis pursuant to section¹ 103(a)(2)(C), gross project cost shall include, in lieu of the amount specified in clause (1) above, the amount of the expenditures by the local public agency with respect to the following undertakings and activities necessary to carry out such project:

(i) acquisition of land (but only to the extent of the consideration paid to the owner and not title, appraisal, negotiating, legal, or any other expenditures of the local public agency incidental to acquiring land), disposition of land, staff² services in connection with programs of code enforcement and voluntary rehabilitation and repair (including community organization), demolition and removal of buildings and improvements, and site preparation and improvements, all as provided in paragraphs (1), (2), (3), (4), (5), (6), (7),³ (8),⁴ (9), and (10)⁵ of subsection (c); and

(ii) the payment of carrying charges related to the undertakings in clause (i) (including amounts in lieu of carrying charges as determined above), exclusive of taxes and payments in lieu of taxes, but not beyond the point where such project is completed; but not the cost of any other undertakings, and activities (including, but without being limited to, the cost of surveys and plans, legal serv-

¹ Sec. 301(c), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 166, substituted "section 103(a)(2)(C)" for "the proviso in the second sentence of section 103(a)".

² Sec. 310(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477, inserted "staff services in connection with programs of code enforcement and voluntary rehabilitation and repair (including community organization)," and also inserted "(5)" in the enumerated paragraphs that follow.

Sec. 310(b) of the Housing and Urban Development Act of 1965, provided that urban renewal contracts executed before the date of the enactment of that Act (August 10, 1965) may be amended to incorporate the provisions of subsec. (a) as to costs incurred on or after that date.

³ Sec. 307(c), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 168, inserted "(7)".

⁴ Stat. 308(d), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788, inserted "(8)".

⁵ Sec. 1722(c), Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, deleted "and (9)" in clause (i) and inserted in lieu thereof "(9), and (10)".

ices of any kind, and all administrative and overhead expenses of the local public agency) with respect to such project. Where ¹ real property in the project area is acquired and is owned as part of the project by the local public agency and such property is not subject to ad valorem taxes by reason of its ownership by the local public agency and payments in lieu of taxes are not made on account of such property, there may (with respect to any project for which a contract of Federal assistance under this title is in force or is hereafter executed, other ² than a project on which a contract for capital grant is made on a three-fourths basis pursuant to section 103(a)(2)(C) be included, at the discretion of the Secretary, in gross project cost an amount equal to the ad valorem taxes which would have been levied upon such property if it had been subject to ad valorem taxes, but in all cases prorated for the period during which such property is owned by the local public agency as part of the project, and such amount shall also be considered a cash local grant-in-aid within the purview of section 110(d) hereof. Such ³ amount, and the amount of taxes or payments in lieu of taxes included in gross project cost, shall be subject to the approval of the Secretary and such rules, regulations, limitations, and conditions as he may prescribe.

Where ⁴ a project includes the acquisition of property which has been damaged because of the collapse or subsidence of underlying coal mines, or underground mine fires, and the property is to be acquired from an individual, family, business concern, or nonprofit organization which was the owner of such property at the time the damage first occurred, the amount otherwise allowable as the acquisition price of such property may be increased by an amount equal to so much of any diminution in the value of such property as is determined to be reasonably attributable to such damage and to represent an otherwise uncompensated and (but for such acquisition) uncompensable loss actually sustained by such owner.

(f) "Net project cost" shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land or other property sold, and (2) the total capital values (i) imputed, on a basis approved by the Secretary, to all land or other property leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land or other property retained by it for use in accordance with the urban renewal plan.⁵

(g) "Going Federal rate" means (with respect to any contract for a loan or advance entered into after the first annual rate has been

¹ Sec. 311(b) of the Housing Act of 1964 provided that any contract under title I of the Housing Act of 1949 executed prior to the date of enactment of the Housing Act of 1964 (September 2, 1964) may be amended to provide for payment of the increased amounts authorized under subsec. (a) of sec. 311 "with respect to any uncompleted project if the project includes acquisitions which, under any State or local law in effect on such date, would involve expenditures by a local public agency that could not otherwise be included in the costs of such project."

² Language in the parenthesis after "or is hereafter executed" inserted by sec. 302(5), Housing Act of 1957, Public Law 85-104, approved July 12, 1957, 71 Stat. 294, 300.

³ This sentence added by sec. 302(d), Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1099.

⁴ Sec. 311(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 790, added this paragraph.

⁵ Sec. 213(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1779, deleted at this point the balance of this sentence which read: "or for subsequent disposition or retention as provided under section 106(i)."

specified as provided in this sentence) the annual rate of interest which the Secretary of the Treasury shall specify as applicable to the six-month period (beginning with the six-month period ending December 31, 1953) during which the contract for loan or advance¹ under this title is authorized by the Secretary, which applicable rate for each six-month period shall be determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May or the month of November, as the case may be, next preceding such six-month period, on all outstanding marketable obligations of the United States having a maturity date of fifteen or more years from the first day of such month of May or November, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 per centum. Any² contract for a loan or advance, authorized by the Secretary after the date of enactment of the Housing Act of 1964,³ shall provide for a single interest rate which shall be applicable also to future amendments of the contract which provide additional funds thereunder, and shall further provide for a periodic revision of the interest rate on the balance outstanding or to be outstanding on such loan or advance based on the going Federal rate on the date of such revision: *Provided*, That any contract for a loan or advance authorized prior to the date of enactment of the Housing Act of 1964 shall be amended (with the first amendment to such contract authorized after the date of enactment of such Act) to provide for such a single interest rate (based on the going Federal rate at the time such amendment is authorized) and for periodic revision thereof.

(h) "Local public agency" means any State, county, municipality, or other governmental entity or public body, or two or more such entities or bodies, authorized to undertake the project for which assistance is sought. The term "State"⁴ includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, the territories and possessions of the United States, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States.

(i) "Land" means any real property, including improved or unimproved land, structures, improvements, easements, incorporeal hereditaments, estates, and other rights in land, legal or equitable.

(j) "Secretary" means the Secretary of Housing and Urban Development.

¹ Sec. 303(b), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 785, deleted at this point the words "for any project".

² Sec. 309, Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788, substituted this sentence for the following:

"Any such contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such later contract is authorized."

³ September 2, 1964.

⁴ Sec. 202(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 385, amended the term "State" to include the Trust Territory of the Pacific Islands, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States.

(k)¹ "Federal recognition" means execution of any contract for financial assistance under this title or concurrence by the Secretary in the commencement, without such assistance, of surveys and plans.

DISASTER AREAS

SEC. 111.² Where the local governing body certifies, and the Secretary finds, that an urban area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2(a) of the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes" (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended, has determined to be a major disaster, or ³ which the Secretary has determined is in need of such redevelopment or rehabilitation as a result of a riot or civil disorder, he is authorized to extend financial assistance under this title for an urban renewal project with respect to such area without regard to the following:

(1) the "workable program" requirement in section 101(c), except that any contract for temporary loan or capital grant pursuant to this section shall obligate the local public agency to comply with the "workable program" requirement in section 101 (c) by a future date determined to be reasonable by the Secretary and specified in such contract;

(2) the requirements in section 105(a) (iii) and section 110(b) (1) that the urban renewal plan conform to a general plan of the locality as a whole and to the workable program referred to in section 101(c);

(3) the "relocation" requirements in section 105(c): *Provided*, That the Secretary finds that the local public agency has presented a plan for the encouragement, to the maximum extent feasible, of the provision of dwellings suitable for the needs of families displaced by the catastrophe or by redevelopment or rehabilitation activities;

(4) the "public hearing" requirement in section 105(d);

(5) the requirements in sections 102 and 110 that the urban renewal area be a slum area or a blighted, deteriorated, or deteriorating area; and

(6) the requirements in section 110 with respect to the predominantly residential character or predominantly residential re-use of urban areas.

In the preparation of the urban renewal plan with respect to a project aided under this section, the local public agency shall give due regard to the removal or relocation of dwellings from the site of recurring floods or other recurring catastrophes in the project area.

¹ Sec. 417(3), Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 677, added subsec. (k).

² Sec. 111 added by sec. 307 of the Housing Act of 1956, Public Law 1020, 84th Congress approved August 7, 1956, 70 Stat. 1091, 1101.

³ Sec. 1106(d), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 567, added "or which the Secretary has determined is in need of such redevelopment or rehabilitation as a result of a riot or civil disorder".

URBAN RENEWAL AREAS INVOLVING COLLEGES, UNIVERSITIES, OR HOSPITALS

SEC. 112.¹ (a) In any case where an educational institution or a hospital is located in or near an urban renewal project area and the governing body of the locality determines that, in addition to the elimination of slums and blight from such areas, the undertaking of an urban renewal project in such area will further promote the public welfare and the proper development of the community (1) by making land in such area available for disposition, for uses in accordance with the urban renewal plan, to such educational institution or hospital for redevelopment in accordance with the use or uses specified in the urban renewal plan, (2) by providing, through the redevelopment of the area in accordance with the urban renewal plan, a cohesive neighborhood environment compatible with the functions and needs of such educational institution or hospital, or (3) by any combination of the foregoing, the Secretary is authorized to extend financial assistance under this title for an urban renewal project in such area without regard to the requirements in section 110 hereof with respect to the predominantly residential character or predominantly residential re-use of urban renewal areas. The aggregate expenditures made by any such institution or hospital (directly or through a private redevelopment corporation or municipal or other public corporation) for the acquisition within, adjacent to, or in the immediate vicinity of the project area, of land, building, and structures to be redeveloped or rehabilitated by such institution for educational uses or by such hospital for hospital uses in accordance with the urban renewal plan (or with a development plan proposed by such institution, hospital, or corporation, found acceptable by the Secretary after considering the standards specified in section 110(b), and approved under State or local law after public hearing) and for the demolition of such buildings and structures if, pursuant to such urban renewal or

¹ Immediately prior to amendment by sec. 309, Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 169, sec. 112 read as follows:

"Sec. 112. In any case where an educational institution is located in or near an urban renewal project area and the governing body of the locality determines that, in addition to the elimination of slums and blight from such area, the undertaking of an urban renewal project in such area will further promote the public welfare and the proper development of the community (1) by making land in such area available for disposition, for uses in accordance with the urban renewal plan, to such educational institution for redevelopment in accordance with the use or uses specified in the urban renewal plan, (2) by providing, through the redevelopment of the area in accordance with the urban renewal plan, a cohesive neighborhood environment compatible with the functions and needs of such educational institution, or (3) by any combination of the foregoing, the Administrator is authorized to extend financial assistance under this title for an urban renewal project in such area without regard to the requirements in section 110 hereof with respect to the predominantly residential character or predominantly residential reuse of urban renewal areas: *Provided*, That the aggregate expenditures made by such institution (directly or through a private redevelopment corporation) for the acquisition (from others than the local public agency), within, adjacent to, or in the immediate vicinity of the project area, of land, buildings, and structures to be redeveloped or rehabilitated by such institution for educational uses in accordance with the urban renewal plan (or with a development plan proposed by such institution or corporation, found acceptable by the Administrator after considering the standards specified in section 110(b), and approved under State or local law after public hearing), and for the demolition of such buildings and structures (including expenditures to assist in relocating tenants therefrom), if pursuant to such urban renewal or development plan, the land is to be cleared and redeveloped, as certified by such institution to the local public agency and approved by the Administrator, shall be a local grant-in-aid in connection with such urban renewal project: *Provided further*, That no such expenditures shall be deemed ineligible as a local grant-in-aid in connection with any such project if made not more than five years prior to the authorization by the Administrator of a contract for a loan or capital grant for such urban renewal project: *And provided further*, That the term 'educational institution' as used herein shall mean any educational institution of higher learning, including any public educational institution or any private educational institution, no part of the net earnings of which shall inure to the benefit of any private shareholder or individual."

development plan, the land is to be cleared and redeveloped, and for the relocation of occupants from buildings and structures to be demolished or rehabilitated, as certified by such institution or hospital to the local public agency and approved by the Secretary, shall be a local grant-in-aid in connection with such urban renewal project; *Provided*, That no such expenditure shall be eligible as a local grant-in-aid in any case where the property involved is acquired by such educational institution or hospital from a local public agency which, in connection with its acquisition or disposition of such property, has received, or contracted to receive, a capital grant pursuant to this title: *Provided further*,¹ That no such expenditures shall be deemed ineligible as a local grant-in-aid in connection with an urban renewal project, to the extent that the expenditure is otherwise eligible, if the facilities, land, buildings, or structures with respect to which the expenditure is made are located within one mile of the project.

(b) Subject ² to the second sentence of this subsection, no expenditure made by any educational institution or hospital, as provided in subsection (a), shall be deemed ineligible as a local grant-in-aid (1) in connection with any urban renewal project if made not more than seven years prior to the authorization by the Secretary of a contract for a loan or capital grant for such project, or (2) in connection with any such project for which the Secretary, prior to September 25, 1963, has authorized a loan or capital grant contract if made not more than five years prior to the submission of an application for financial assistance under this title for such urban renewal project. In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the seven-year period referred to in clause (1) of the preceding sentence shall be extended to a period of eight years prior to the authorization by the Secretary of a contract for a loan or capital grant for the project.

(c) The aggregate expenditures made by any public authority, established by any State, for acquisition, demolition, and relocation in connection with land, buildings, and structures acquired by such public authority and leased to an educational institution for educational uses or to a hospital for hospital uses shall be deemed a local grant-in-aid to the same extent as if such expenditures had been made directly by such educational institution or hospital.

(d) As used in this section—

(1) the term "educational institution" means any educational institution of higher learning, including any public educational institution or any private educational institution, no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

(2) the term "hospital" means any hospital licensed by the State in which such hospital is located, including any public

¹ Sec. 705, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1281, added this proviso.

² Sec. 203(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted the words "Subject to the second sentence of this subsection," and also added the second sentence of this subsection (b).

hospital, or any nonprofit hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

REDEVELOPMENT AREAS UNDER THE AREA REDEVELOPMENT ACT

SEC. 113.¹ (a) Whenever the Secretary of Commerce certifies to the Secretary (1) that any county, city, or other municipality (in this section referred to as a "municipality") is situated in an area designated under section 5 of the Area Redevelopment Act² as a redevelopment area, and (2) that there is a reasonable probability that with assistance provided under such Act and other undertakings the area will be able to achieve more than temporary improvement in its economy, the Secretary is authorized to provide financial assistance to a local public agency in any such municipality under this title and the provisions of this section.

(b) Subject to the provisions of subsections (e) of this section, the Secretary may provide such financial assistance under this section without regard to the requirement or limitations of section 110(c) that the project area be predominantly residential in character or be redeveloped for predominantly residential uses under the urban renewal plan, and without regard to any of the limitations of that section on the undertaking of projects for predominantly nonresidential uses.

(c) Notwithstanding any other provisions of this title, a contract for financial assistance under this section may include provisions permitting the disposition of any land in the project area designated under the urban renewal plan for industrial or commercial uses to any public agency or nonprofit corporation for subsequent disposition as promptly as practicable by such public agency or corporation for the redevelopment of the land in accordance with the urban renewal plan: *Provided*, That any disposition of such land to such public agency or corporation under this section shall be made at its fair value for uses in accordance with the urban renewal plan: *And provided further*, That only the purchaser from or lessees of such public agency or corporation, and their assignees, shall be required to assume the obligations relating to the commencement of improvements imposed under section 105(d) hereof.

(d) Following the execution of any contract for financial assistance under this section with respect to any project, the Secretary may exercise the authority vested in him under this section as well as other provisions of this title for the completion of such projects, notwithstanding any determination made after the execution of such contract that the area in which the project is located is no longer a redevelopment area under the Area Redevelopment Act.

(e) Not more than 10 per centum of the funds authorized for capital grants under section 103 after the date of the enactment of the Area Redevelopment Act shall be used for the purpose of providing financial assistance under this section. Amounts used for such purpose shall not be taken into account for the purpose of the limitation contained in the second proviso of the fifth sentence of section 110(c).

¹ Sec. 14, Area Redevelopment Act, Public Law 87-27, approved May 1, 1961, 75 Stat. 47, 57, added sec. 113.

² The Area Redevelopment Act was superseded by the Public Works and Economic Development Act of 1965, Public Law 89-336, 79 Stat. 552, 42 U.S.C. 3121.

RELOCATION (REPEALED)¹

SEC. 114.¹ (a) Notwithstanding any other provision of this title, an urban renewal project may include the making of payments as prescribed in this section to displaced individuals, families, business concerns, and nonprofit organizations; and any contract for financial assistance under this title shall provide that the capital grant otherwise payable for the project shall be increased by an amount equal to such payments and that no part of the amount of such payments shall be required to be contributed as part of the local grant-in-aid. As used in this section, "displaced" refers to displacement from an urban renewal area made necessary by (1) the acquisition of real property by a local public agency or by any other public body, (2) code enforcement activities undertaken in connection with an urban renewal project, or (3) a program of voluntary rehabilitation of buildings or other improvements in accordance with an urban renewal plan.

(b) A local public agency may pay to any displaced business concern or nonprofit organization—

(1) its reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit (which are incurred on and after August 7, 1956, and for which reimbursement or compensation is not otherwise made): *Provided*, That such payment shall not exceed \$3,000 (or, if greater, the total certified actual moving expenses): *Provided further*,² That the Secretary may authorize payment to displaced business concerns of fixed amounts in lieu of their total certified actual moving expenses where he determines that it is impractical for a displaced business concern to calculate the amount of such expenses; and

(2) an additional \$2,500³ in the case of a private business concern with average annual net earnings of less than \$10,000 per year which (A) was doing business in a location in the urban renewal area on the date of local approval of the urban renewal plan (or of acquisition of real property under the third sentence of section 102(a)); (B) is displaced on or after January 27, 1964, and (C) is not part of an enterprise having establishments outside the urban renewal area.

Notwithstanding the provisions of clause (1) of the preceding sentence, a business concern which is not being displaced from an urban renewal area shall be eligible for payments under such clause (1) of its⁴ moving expenses with respect to its outdoor advertising displays being removed from the urban renewal area in the same manner as though such business concern were being displaced.

(c) (1) A local public agency may pay to any displaced individual or family his or its reasonable and necessary moving expenses and

¹ This section 114 originally added by sec. 310(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 788, and repealed by sec. 220(a)(5) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1903. However, this repeal is not immediately effective in all States. See sec. 221 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

² Sec. 212(a), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1779, inserted this second proviso.

³ Sec. 404(b), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 486, substituted "\$2,500" for "\$1,500".

⁴ Sec. 212(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved Dec. 31, 1970, 84 Stat. 1770, 1779, deleted at this point the words "certified actual".

any actual direct losses of property (which are incurred on and after August 7, 1956, and for which reimbursement or compensation is not otherwise made): *Provided*, That such payment shall not exceed \$200: *And provided further*, That the Secretary may authorize payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

(2) In ¹ addition to any amount under paragraph (1), a local public agency may pay to or on behalf of any displaced family, displaced individual sixty-two years of age or over, or displaced handicapped individual, monthly payments over a period not to exceed twenty-four months in an amount not to exceed \$500 in the first twelve months and \$500 in the second twelve months to assist such displaced family or individual to secure a decent, safe, and sanitary dwelling. The additional payment shall be an amount which, when added to 20 per centum of the annual income of the displaced individual or family at the time of displacement, equals the average rental required, for a 12-month period, for such a decent, safe, and sanitary dwelling of modest standards adequate in size to accommodate the displaced individual or family (in the urban renewal area or in other areas not generally less desirable in regard to public utilities and public commercial facilities): *Provided*, That such payment shall be made only to an individual or family who is unable to secure a dwelling unit in a low-rent housing project assisted under the United States Housing Act of 1937 ² or under a State or local program found by the Secretary to have the same general purposes as the Federal program under such Act, or a dwelling unit assisted under section 101 ³ of the Housing and Urban Development Act of 1965: *Provided further*, That additional payments under this paragraph may be paid on a lump sum or other than monthly basis in cases in which the small size of the payments that would otherwise be required do not warrant a number of separate payments or in other cases in which other than monthly payments are determined warranted by the Secretary: *And provided further*,⁴ That no payment received under this paragraph shall be considered as income for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal Act.

(3) ⁵ In addition to any amount under paragraph (1), a local public agency may make a payment to a displaced family or individual, who does not receive the additional payment authorized under paragraph (2) and who is the owner of real property which is acquired for a project assisted under this title and which is improved by a single- or two-family dwelling occupied by the owner for a period of not less than one year prior to the initiation of negotiations for the acquisition

¹ Sec. 516(1), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 526, amended this sentence to read as set forth in the text Prior to amendment this sentence authorized a \$500 payment over a 5-month period.

² Low-income public housing law.

³ Rent supplement program.

⁴ Sec. 516(3), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 523 added this proviso and struck out a proviso that limited payments under this paragraph to families or individuals 62 years of age or over and displaced on or after January 27, 1964.

⁵ Sec. 516(4), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 526, added this paragraph.

of such property. Such payment, not to exceed \$5,000, shall be an amount which, when added to the acquisition payment, equals the average price required for a decent, safe, and sanitary dwelling of modest standards adequate in size to accommodate the displaced owner, reasonably accessible to public services and places of employment and available on the private market: *Provided*, That such payment may be made only to a displaced owner who purchases and occupies a dwelling within one year subsequent to the date on which he is required to move from the dwelling acquired for the project: *Provided further*, That no such payment may be made if the owner-occupant receives a payment required by the State law of eminent domain which is determined by the Secretary to have substantially the same purpose and effect as this paragraph and to be part of the cost of the project for which Federal financial assistance is available.

(d) ¹ In addition to payments authorized to be made under subsections (b) and (c), a local public agency may pay to any displaced individual, family, business concern, or nonprofit organization reasonable and necessary expenses incurred for (1) recording fees, transfer taxes, and similar expenses incidental to conveying real property to a project assisted under this title, (2) penalty costs for prepayment of any mortgage encumbering such real property, and (3) the pro rata portion of real property taxes allocable to a period subsequent to the date of vesting of title or the effective date of the acquisition of such real property by such agency, whichever is earlier.

(e) The Secretary is authorized to establish such rules and regulations as he may deem appropriate in carrying out the provisions of this section and may provide in any contract with a local public agency, or in regulations promulgated by the Secretary, that determinations of any duly designated officer or agency as to eligibility for and the amount of relocation assistance authorized by this section shall be final and conclusive for any purposes and not subject to redetermination by any court or any other officer. Such regulations shall include provisions to assure that relocation payments, as authorized by this section, shall be made as promptly as possible to all families, individuals, business concerns, and nonprofit organizations found to be eligible for such payments by reason of their having been displaced from property in the urban renewal area, without regard to any subsequent proceedings, determinations, or events relating to such property which do not bear upon whether such displacement in fact occurred.

REHABILITATION GRANTS

SEC. 115. (a) (1) ² Notwithstanding any other provision of this title, the Secretary may authorize a local public agency to make grants (and the urban renewal project may include the making of such grants) as

¹ Sec. 404(c)(1), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 486, inserted subsec. (d), and redesignated the former subsec. (d) as "(e)".

² Sec. 106(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved Aug. 10, 1965, 79 Stat. 451, 457, added paragraph (1).

Sec. 106(b) of the Housing and Urban Development Act of 1965 provided that any contract with a local public agency which was executed under title I of the Housing Act of 1949 before the date of enactment of the Housing and Urban Development Act of 1965 (August 10, 1965) may be amended to provide for grants authorized by sec. 115 of the Housing Act of 1949.

prescribed in this section. Any such grant may be made only to an individual or family, as described in subsection (c), who owns and occupies real property¹ in an urban renewal area, and only for the purpose of covering the cost of repairs and improvement necessary to make such real property¹ conform to public standards for decent, safe, and sanitary housing as required by applicable codes or other requirements of the urban renewal plan for the area. Any contract for financial assistance under this title shall provide that the capital grant otherwise payable for the project shall be increased by an amount equal to the total amount of the grants under this section and that no part of the total amount of such grants shall be required to be contributed as part of the local grant-in-aid.

(2)² In addition to the authority conferred by paragraph (1), and notwithstanding any other provision of this title, the Secretary is authorized, through the utilization of local public agencies where feasible, to make grants (payable from any grant funds provided under section 103(b)) to an individual or family, as described in subsection (b), to cover the cost of repairs and improvements necessary to make real property owned and occupied by such individual or family conform to public standards for decent, safe, and sanitary housing. No grants shall be made under this paragraph in the case of any property, unless (A) such property is in an area within a locality (other than an urban renewal or code enforcement area) which the governing body of the locality has determined, and so certifies to the Secretary, contains a substantial number of structures in need of such repairs and improvements, (B) there is in effect for the locality a workable program meeting the requirements of section 101(c), and (C) the area is definitely planned for rehabilitation or concentrated code enforcement within a reasonable time, and such repairs and improvements to such property are consistent with the plan for rehabilitation or concentrated code enforcement.

(b)³ The Secretary is authorized to make grants (payable from any grant funds provided under section 103(b)), through the utilization of local public and private agencies where feasible, to an individual or family, as described in subsection (c), who owns and occupies real property which has been determined to be uninsurable because of physical hazards after an inspection pursuant to a statewide property insurance plan approved by the Secretary under title XII of the National Housing Act. Such grants may only be made to rehabilitate such property to the extent which the Secretary determines to be necessary to make it meet reasonable underwriting standards imposed by such plan.

(c)⁴ A grant authorized by this section may be made to an individual or family whose income does not exceed \$3,000 a year, and such

¹ Sec. 503(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, substituted "real property" for "structure".

² Sec. 503(c), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, added paragraph (2).

³ Sec. 503(d), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, added subsection (b).

⁴ Sec. 503(d), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 521, redesignated this subsection as (c) in lieu of (b). This subsection was originally enacted by sec. 106(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved Aug. 10, 1965, 79 Stat. 451, 457.

grant may be in the amount which does not exceed the lesser of (1) the actual (and approved) cost of the repairs and improvements involved, or (2) \$3,500.¹ In case the income of the individual or family exceeds \$3,000 a year, a grant may be made under this section, subject to the limitations specified in clauses (1) and (2) of the preceding sentence, but only in an amount not to exceed that portion of the cost of the repairs and improvements which cannot be paid for with any available loan that can be amortized as part of such individual's or family's monthly housing expense without requiring such monthly housing expense to exceed 25 per centum of such individual's or family's monthly income.

DEMOLITION

SEC. 116.² (a) Notwithstanding any other provision of this title, the Secretary is authorized to enter into contracts to make, and to make, grants as provided in this section (payable from any grant funds provided under section 103(b)) to cities, other municipalities, counties, and ³ Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States to assist in financing the cost of demolishing structures which under State or local law have been determined to be structurally unsound, a harborage ⁴ or potential harborage of rats, or unfit for human habitation, and which such city, municipality, or county has authority to demolish. The amount of any grant under this section shall not exceed two-thirds of the cost of the demolition of such structures.

(b) No grant shall be made under this section unless the structures to be demolished are located in an urban renewal area, or in the case of structures outside an urban renewal area, (1) the locality involved has an approved workable program for community improvement in accordance with the requirements of section 101(c), as determined by the Secretary, (2) the demolition to be assisted will be on a planned neighborhood basis and will further the over-all renewal objectives of such locality, or will ⁵ be consistent with a systematic rodent control program being undertaken in the neighborhood, (3) there is in such locality a program of enforcement of existing local housing and related codes, (4) the structures to be demolished constitute a public nuisance and a serious hazard to the public health or welfare, and (5) the governing body of such locality has determined that other available legal procedures have been exhausted to secure remedial action by the owner of the structures involved and that demolition by governmental action is required.

¹ Sec. 205, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 387, substituted "\$3,500" for "\$3,000".

² Added by sec. 311(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477.

³ Sec. 202(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted "and Indian tribes, bands, groups, and nations including Alaska Indians, Aleuts, and Eskimos, of the United States".

⁴ Sec. 510(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 524, inserted "a harborage or potential harborage of rats".

⁵ Sec. 510(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 524, inserted "or will be consistent with a systematic rodent control program being undertaken in the neighborhood".

CODE ENFORCEMENT

SEC. 117.¹ Notwithstanding any other provision of this title, the Secretary is authorized to enter into contracts to make, and to make, grants as provided in this section (payable from any grant funds provided under section 103(b)) to cities, other municipalities, counties, and² Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States for the purpose of assisting such localities in carrying out programs of concentrated code enforcement in deteriorated or deteriorating areas in which such enforcement, together with those public improvements to be provided by the locality, may be expected to arrest the decline of the area. Such grants shall not exceed two-thirds (or three-fourths in the case of any city, other municipality, or county having a population of 50,000 or less according to the most recent decennial census) of the cost of planning and carrying out such programs which may include the provision and repair of necessary streets, curbs, sidewalks, street lighting, tree planting, and similar improvements within such areas. The Secretary shall not make any grant under this section unless he has obtained adequate assurances (1) that the locality will maintain during the period of the contract, in addition to its expenditures for planning and carrying out any program assisted under this section, a level of expenditures for code enforcement activities at not less than its normal expenditures for such activities prior to the execution of such contract, and (2) that the locality has a satisfactory program for the provisions of all necessary public improvements for such areas. The provisions of sections 101(c), 106, 114, and 115 shall be applicable to activities and undertakings assisted under this section to the same extent as if such activities and undertakings were being carried out in an urban renewal area as part of an urban renewal project: *Provided*,³ That the Secretary may, in addition to authorizing a local public agency to make grants as prescribed in section 115, make such grants through the utilization of local private nonprofit agencies.

INTERIM ASSISTANCE FOR BLIGHTED AREAS

SEC. 118.⁴ Notwithstanding any other provision of this title, the Secretary is authorized to enter into contracts (in an aggregate amount not to exceed \$15,000,000 in any fiscal year) to make, and to make, grants as provided in this section (payable from any grant funds provided under section 103(b)) to cities, other municipalities, counties, and⁵ Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States for the purpose of assisting such localities in carrying out programs to

¹ Added by sec. 311(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 477.

² Sec. 202(c), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted "and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

³ Sec. 515, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 525, added this proviso.

⁴ Sec. 514, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 525, added sec. 118.

⁵ Sec. 202(d), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted "and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

alleviate harmful conditions in slum and blighted areas which are planned for substantial clearance, rehabilitation, or federally assisted code enforcement in the near future but in which some immediate public action is needed until clearance, rehabilitation, or code enforcement activities can be undertaken. Such grants shall not exceed two-thirds (or three-fourths in the case of any city, other municipality, or county having a population of fifty thousand or less according to the most recent decennial census) of the cost of planning and carrying out programs which may include (1) the repair of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public buildings to meet needs consistent with the short-term continued use of the area prior to the undertaking of the contemplated clearance or upgrading activities, (2) the improvement of private properties to the extent needed to eliminate the most immediate dangers to public health and safety, (3) the demolition of structures determined to be structurally unsound or unfit for human habitation and which constitute a public nuisance and serious hazard to the public health and safety, (4) the establishment of temporary public playgrounds on vacant land within the area, and (5) the improvement of garbage and trash collection, street cleaning, and similar activities. The Secretary shall encourage, wherever feasible, the employment of otherwise unemployed or underemployed residents of the area in carrying out the activities and undertakings assisted under this section. The provisions of sections 101(c), 106, and 114 shall be applicable to activities and undertakings assisted under this section to the same extent as if such activities and undertakings were being carried out in an urban renewal area as part of an urban renewal project.

PART B—NEIGHBORHOOD DEVELOPMENT PROGRAMS¹

PURPOSE AND AUTHORITY

SEC. 131. (a) To facilitate more rapid renewal and development of urban areas on an effective scale, and to encourage more efficient and flexible utilization of public and private development opportunities by local communities in such areas, the Secretary is authorized to make financial assistance available under this title to local public agencies for undertakings and activities which are carried out under a neighborhood development program approved by him pursuant to this part.

(b) A neighborhood development program shall consist of urban renewal project undertakings and activities in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this title for planning and carrying out urban renewal projects, except as modified by the provisions of this part.

(c) No application for financial assistance in planning and carrying out a neighborhood development program shall be approved by the Secretary unless—

(1) the governing body of the locality has, by resolution or ordinance, approved the proposed program and the annual incre-

¹ Sec. 501(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 518, added part B.

ment covered by the application and authorized the filing of the application for financial assistance; and

(2) the Secretary has concluded that there is the necessary capacity to carry out the undertakings and activities included under the program.

FINANCIAL PROVISIONS

SEC. 132. (a) Upon the approval of a neighborhood development program by the Secretary, the cost of any undertakings and activities authorized as part of the program shall be financed in accordance with the loan, capital grant, and project cost provisions of part A, except that—

(1) net project cost may be calculated on the basis of costs incurred and proceeds derived for the account of the program during a specified twelve-month period, and may be recalculated for succeeding periods of twelve months to reflect additional costs and additional proceeds since the date of the last computation or recomputation; and

(2) if property has been acquired but not disposed of prior to the computation or recomputation of net project cost, temporary loans made or secured under this title to finance undertakings or activities included in the program may remain outstanding until the property has been disposed of and the proceeds thereof together with additional funds becoming available to the program, are sufficient to permit repayment of the loans.

(b) In the event that gross project cost as computed for a specified twelve-month period is exceeded, with respect to that period, by the sum of (1) the sales price of land or other property sold, and (2) the imputed capital value of land or other property leased or retained by the local public agency in accordance with the provisions of the urban renewal plan, the local public agency shall pay to the Secretary two-thirds of the excess (or three-fourths in the case of a program on a three-fourths grant basis), which amount shall be available to the Secretary for grant payments under section 103.

LOCAL GRANTS-IN-AID

SEC. 133. (a) Except ¹ as otherwise provided for in this subsection, for the purpose of determining the eligibility of local grants-in-aid in connection with undertakings and activities carried out under a neighborhood development program, the three-year period referred to in the first sentence of the second paragraph of section 110(d) shall be deemed to be a period of three years prior to the authorization by the Secretary of the first contract for financial assistance under the program which includes the urban renewal area which is benefited by the public improvement or facility for which credit is claimed; and the seven-year period referred to in clause (1) of section 112(b) shall be deemed to be a period of seven years prior to the date of authorization by the Secretary of the first contract for financial assistance under the

¹ Sec. 203(c), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 386, inserted this clause and also added the second sentence of this sec. 133(a).

program which includes the urban renewal area which is benefited by the expenditures for which credit is claimed. In connection with any neighborhood development program for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and for which no contract for financial assistance under the program has been authorized by the Secretary, the three-year and seven-year periods referred to above shall be extended to periods of four and eight years, respectively, prior to authorization of (1) the first contract for financial assistance under the program which includes the urban renewal area benefited by the public improvement or facility (or the expenditures) for which credit is claimed, or (2) a contract for a loan or capital grant for an urban renewal project authorized after the date of the enactment of the Housing and Urban Development Act of 1969 in an area which is benefited by the public improvement or facility (or the expenditures) for which credit is claimed and which was included in the neighborhood development program application.

(b) No portion of the cost of a public improvement or public facility (to the extent otherwise eligible) may be included as a local grant-in-aid in computing the gross project cost of an approved program for any twelve-month period—

(1) prior to commencement of construction of the improvement or facility, or

(2) in excess of the amount actually expended or obligated by contract.

(c) The provisions of section 104 with respect to the pooling of local grants-in-aid among the various projects undertaken by a local public agency shall not be applicable with respect to any excess local grants-in-aid resulting from the urban renewal projects contained in a neighborhood development program.

GENERAL PROVISIONS

SEC. 134. (a) For purposes of this part—

(1) the workable program requirement in section 101(c) shall apply to the authorization, rather than the execution, of any contract for loans or capital grants;

(2) capital grants on a three-fourths basis may only be made under section 103(a) (2) (B);

(3) the relocation requirements specified in section 105(c) shall apply to each annual increment of an approved program;

(4) section 106(g) (relating to transient housing) shall apply to activities undertaken under approved programs, except that the determination as to need for transient housing shall be made with respect to any sale or lease of land for construction of such housing prior to such sale or lease; and

(5) the requirement concerning demolition and removal of buildings and improvements stated in clause (A) of the sentence following paragraph (10) of section 110(c) shall apply to each annual increment of an approved program.

(b) The approval by the Secretary of financial assistance for one or more annual increments of a neighborhood development program

shall not be considered as obligating him to provide financial assistance for any subsequent annual increments.

(c) The urban renewal plan referred to in section 110(b) may cover one or more of the urban renewal areas covered by a neighborhood development program and such plan may be modified from time to time to cover additional urban renewal areas added to the program. The Secretary may establish such requirements as he deems appropriate prescribing the scope and content of such plan, taking into consideration, among other matters, the degree of detail needed in the plan to properly and expeditiously carry out the activities and undertaking proposed in any annual increment of a neighborhood development program.

* * * * *

Approved July 15, 1949.

CONTINUATION OF ORIGINAL PROJECTS— DEMONSTRATIONS

EXCERPTS FROM HOUSING ACT OF 1954

[Public Law 560, 83d Cong., 68 Stat. 590, 629; 42 U.S.C. 1450nt and 1452a]

SEC. 312. Notwithstanding the amendments of this title to title I of the Housing Act of 1949, as amended, the Secretary,¹ with respect to any project covered by any Federal aid contract executed, or prior to approval granted, by him under said title I before the effective date of this Act, upon request of the local public agency, shall continue to extend financial assistance for the completion of such project in accordance with the provisions of said title I in force immediately prior to the effective date of this Act.

* * * * *

SEC. 314.² Repealed. (a) The Secretary of Housing and Urban Development is authorized to make grants, subject to such terms and conditions as he shall prescribe, to public bodies (including cities and other political subdivisions) and nonprofit organizations, to assist in developing, testing, and reporting methods and techniques, and carrying out demonstrations and other activities for the prevention and the elimination of slums and urban blight. In the case of any such grant to a nonprofit organization, the Secretary shall require that the assisted activities and undertakings are not inconsistent with the program of the local public agency. No such grant shall exceed 90 per centum of the cost, as determined or estimated by the Secretary, of the assisted activities or undertakings, but such a grant may in addition cover the full cost of writing and publishing the reports on such

¹ Sec. 10, Public Law 90-19, approved May 25, 1967, 81 Stat. 17, 22, substituted "Secretary" for "Administrator" throughout the Housing Act of 1954 in order to make it conform to the Department of Housing and Urban Development Act which placed all the functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

² Sec. 314 repealed effective July 1, 1971, by sec. 503, Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1785. However, sec. 503, Housing and Urban Development Act of 1970, provides that such repeal "shall not affect contracts, commitments, reservations, or other obligations entered into pursuant to such provisions prior to that date" (July 1, 1971).

activities and undertakings. In administering this section, said Secretary shall give preference to those activities and undertakings which in his judgment can reasonably be expected to (1) contribute most significantly to the improvement of methods and techniques for the elimination and prevention of slums and blight, and (2) best serve to guide renewal programs in other communities.

(b) The Secretary is further authorized to pay for the cost of (1) writing and publishing reports on activities and undertakings financed by grants made under this section, as well as reports on similar activities and undertakings, not so financed, which are of significant value in furthering the purposes of this section, and (2) writing and publishing summaries and other informational material on such reports.

(c) The aggregate amount of grants made under subsection (a), and other costs incurred pursuant to subsection (b), shall not exceed \$20,000,000 and shall be payable from the grant funds provided under and authorized by section 103(b) of the Housing Act of 1949. The Secretary may make advance or progress payments on account of any contract entered into pursuant to this section, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended.

* * * * *

Approved August 2, 1954.

APPROPRIATION ACT LIMITS ON URBAN RENEWAL GRANTS

EXCERPT FROM INDEPENDENT OFFICES APPROPRIATION ACT, 1966

[Public Law 89-128, 79 Stat. 520]

URBAN RENEWAL ADMINISTRATION

For expenses in connection with grants for urban renewal programs as authorized by title I of the Housing Act of 1949, as amended, \$438,675,000, including \$331,000,000 as an additional amount for payment of grants to liquidate contract authorization incurred prior to July 1, 1965, and not to exceed \$13,175,000 for administrative expenses of making such grants and of making grants authorized by sections 314 and 701 of the Housing Act of 1954, as amended: *Provided*, That no part of this appropriation shall be used for administrative expenses or technical services in connection with contracts for grants or any other obligations in excess of the amounts herein provided.

Approved August 16, 1965.

EXCERPT FROM SUPPLEMENTAL APPROPRIATION ACT, 1966

[Public Law 89-309, 79 Stat. 1133, 1135]

For additional amounts for "Urban renewal administration", to remain available until expended, \$675,570,000 for the fiscal year 1966, including not to exceed \$570,000 for administrative expenses during

URBAN RENEWAL

such year, and \$725,000,000 for grants for the fiscal year 1967: *Provided*, That funds available for administrative expenses in the current fiscal year shall be available in connection with grants provided for in this paragraph: *Provided further*, That not to exceed \$1,500,000 of the amount provided for each fiscal year in this paragraph for grants shall be available for rehabilitation grants pursuant to Sec. 115 of the Housing Act of 1949, as amended, and not to exceed \$75,000,000 shall be available for code enforcement grants pursuant to Sec. 117 of such Act.

Approved October 31, 1965.

EXCERPT FROM INDEPENDENT OFFICES APPROPRIATION ACT, 1967

[Public Law 89-555, 80 Stat. 663]

For administrative expenses for urban renewal programs not exceeding commitments heretofore made or provided for in appropriation acts, including programs authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), and sections 314 and 701 of the Housing Act of 1954, as amended (42 U.S.C. 1452a; 40 U.S.C. 461), \$15,000,000: *Provided*, That the limitation on funds for rehabilitation grants contained in the second proviso under the head "Urban renewal administration", in the Supplemental Appropriation Act, 1966, is increased by \$9,000,000 for current fiscal year.

Approved September 6, 1966.

EXCERPT FROM SUPPLEMENTAL APPROPRIATION ACT, 1967

[Public Law 89-697, 80 Stat. 1057]

For grants for urban renewal, fiscal year 1968, as an additional amount for urban renewal programs, as authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), and section 314 of the Housing Act of 1954, as amended (42 U.S.C. 1452a), \$750,000,000, to remain available until expended: *Provided*, That no commitments shall be entered into during the fiscal year 1968 for grants aggregating more than the total amounts available in that year from the amounts authorized for making such commitments through June 30, 1967, plus the additional amount appropriated herein.

Approved October 27, 1966.

EXCERPT FROM INDEPENDENT OFFICES AND DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATION ACT, 1968

[Public Law 90-121, 81 Stat. 341]

For grants for urban renewal, fiscal year 1969, as an additional amount for urban renewal programs, as authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), and section 314 of the Housing Act of 1954, as amended (42 U.S.C. 1452a), \$750,000,000, to remain available until expended: *Provided*, That no

part of any appropriation in this Act shall be used for administrative expenses in connection with commitments for grants aggregating more than the total of amounts available in the current year from the amounts authorized for making such commitments through June 30, 1967, plus the additional amounts appropriated therefor.

Approved November 3, 1967.

EXCERPT FROM INDEPENDENT OFFICES AND DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATION ACT, 1969

[Public Law 90-550, 82 Stat. 937]

URBAN RENEWAL PROGRAMS

For grants for urban renewal, fiscal year 1970, as an additional amount for urban renewal programs, as authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.) and section 314 of the Housing Act of 1954, as amended (42 U.S.C. 1452a), \$750,000,000, to remain available until expended: *Provided*, That no part of any appropriation in this Act shall be used for administrative expenses in connection with commitments for grants aggregating more than the total of amounts available in the current year from the amounts authorized for making such commitments through June 30, 1968, plus the additional amounts appropriated therefor.

Approved October 4, 1968.

EXCERPT FROM HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

[Public Law 93-383, 88 Stat. 633]

NEIGHBORHOOD DEVELOPMENT PROGRAM

SEC. 820. Notwithstanding the provisions of section 133(b) of the Housing Act of 1949 or of any other law, local expenditures made in connection with the Broad and Front Street Garage in Trenton, New Jersey, shall, to the extent otherwise eligible, be counted as a local grant-in-aid to the first two action years of the Trenton Neighborhood Development Program (N.J. A-1) in accordance with the provisions of title I of the Housing Act of 1949.

Approved August 22, 1974.

EXCERPT FROM PUBLIC LAW 94-173

[89 Stat. 1027]

AN ACT to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes

* * * * *

SEC. 2. Notwithstanding the provisions of section 103(a) (2) and (3) and section 104 of the Housing Act of 1949 or of any other law

(1) the maximum project capital grant for Project No. Mass. R-107 may exceed two-thirds of the net project costs of said project, and any such excess shall not be considered in determining the project capital grant for any other project in the same municipality and (2) the maximum amount of local grants-in-aid required in connection with Project No. Mass. R-107, under the Contract No. Mass. R-107 (LG) or amendatory contracts for capital grant for said project, shall be one-half of the maximum project capital grant for said project authorized under section 7(d) of said contract, dated December 28, 1965, prior to any amendatory contract, and any local grants-in-aid provided in connection with said project in excess of such maximum amount or any local grants-in-aid provided in connection with any other project in the same municipality shall not decrease the amount of the project capital grant for said project under said contract and amendatory contracts: *Provided*, That any local grants-in-aid provided in connection with said project in excess of such maximum amount shall not be considered in determining the local grants-in-aid required for any other project in the same municipality.

* * * * *

Approved December 23, 1975.

EXCERPTS FROM HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978

[Public Law 95-557, 92 Stat. 2080]

STATEMENT OF POLICY AND STUDY ON HOUSING DISPLACEMENT

SEC. 902. The Congress declares that in the administration of Federal housing and community development programs, consistent with other program goals and objectives involuntary displacement of persons from their homes and neighborhoods should be minimized. In furtherance of the objective stated in the preceding sentence, the Secretary of Housing and Urban Development shall conduct a study on the nature and extent of such displacement, and, not later than January 31, 1979, shall report to the Congress on recommendations for the formulation of a national policy to minimize involuntary displacement caused by the implementation of the Department's programs, and to alleviate the problems caused by displacement of residents of the Nation's cities due to residential and commercial development and housing rehabilitation, both publicly and privately financed. In carrying out such study, the Secretary shall (1) consult with representatives of affected public interest groups, government, and the development and lending industries; (2) provide data on the nature and scope of the displacement problem, both past and projected, and identify steps needed to improve the availability of such data; and (3) report fully on the current legal and regulatory powers and policies of the Department to prevent or compensate for displacement caused by its own programs.

* * * * *

Approved October 31, 1978.

PUBLIC WORKS PLANNING ADVANCES

EXCERPTS FROM THE HOUSING ACT OF 1954

[Public Law 560, 83d Cong., 68 Stat. 590, 641 40 U.S.C. 4621]

RESERVE OF PLANNED PUBLIC WORKS

SEC. 702. (a) In order (1) to encourage municipalities and other public agencies¹ and Indian tribes to maintain at all times a current and adequate reserve of planned public works the construction of which can rapidly be commenced, particularly when the national or local economic situation makes such action desirable, and (2) to help attain maximum economy and efficiency in the planning and construction of public works, the Secretary² is hereby authorized to make advances to public agencies¹ and Indian tribes (notwithstanding the provisions of section 3648 of the Revised Statutes, as amended) to aid in financing the cost of feasibility studies,³ engineering and architectural surveys, designs, plans, working drawings, specifications, or other action preliminary to and in preparation for the construction of public works, including⁴ in the case of public works to be constructed in connection with the development of a medical center, a general plan for the development of such center: *Provided*, That the making of advances hereunder shall not in any way commit the Congress to appropriate funds to assist in financing the construction of any public works so planned: *And provided further*, That advances outstanding to public agencies¹ and Indian tribes in any one State shall at no time exceed 12½⁵ per centum of the aggregate then authorized to be appropriated to the revolving fund established pursuant to subsection (e) of this section.

(b)⁶ No advance shall be made hereunder with respect to any individual project, including a regional or metropolitan or other area-wide project, unless (1) it is planned to be constructed within or over a reasonable period of time considering the nature of the project, (2) it

¹ Sec. 602(c)(1), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, added "and Indian tribes".

² Sec. 10, Public Law 90-19, approved May 25, 1976, 81 Stat. 17, 22, substituted "Secretary" for "Administrator" throughout this section in order to make it conform to the Department of Housing and Urban Development Act which placed all the functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

³ Sec. 607, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 534, added "feasibility studies".

⁴ Sec. 602(e), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, added this clause concerning medical centers.

⁵ Sec. 502(1), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 175, substituted "12½ per centum" for "10 per centum".

⁶ Sec. 502(2), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 175, amended the first sentence of subsection (b) to read as set forth in the text except that sec. 602(c)(2), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, inserted "or Indian tribe" in clause (3) following the words "the public agency". Immediately prior to amendment by sec. 502 this sentence read:

"(b) No advance shall be made hereunder with respect to any individual project unless it is planned to be constructed within a reasonable period of time, unless it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and unless the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due."

conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and (3) the public agency or Indian tribe formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due.¹

(c) Advances under this section to any public agency or ² Indian tribe shall be repaid without interest by such agency or ³ tribe when the construction of the public works is undertaken or started: *Provided*,⁴ That in the event repayment is not made promptly such unpaid sum shall bear interest at the rate of 4 per centum per annum from the date of the Government's demand for repayment to the date of payment thereof by the public agency or ² Indian tribe.

(d) The Secretary is authorized to prescribe rules and regulations to carry out the purpose of this section.

(e)⁵ In order to provide moneys for advances in accordance with this section, the Secretary is hereby authorized to establish a revolving fund which shall comprise (1) all moneys heretofore or hereafter appropriated pursuant to this section, together with all repayments and other receipts heretofore or hereafter received in connection with advances made under this section, and (2) all repayments and other receipts received after June 30, 1964, and all advances (and claims in connection with advances) outstanding as of such date, under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) and the Act of October 13, 1949 (63 Stat. 841-2). There are authorized to be appropriated to such revolving fund, in addition to amounts authorized to be appropriated for the purposes of this section prior to the date of the enactment of the Housing Act of 1964,⁶ such sums, not to exceed \$70,000,000 ⁷ as may be necessary to carry out the purposes of this section.

¹ Sec. 602(f), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, deleted the last sentence of subsec. (b) which read:

"Subsequent to approval and prior to disbursement of any Federal funds for the purpose of advance planning the applicant shall establish a separate planning account into which all Federal and applicant funds estimated to be required for plan preparation shall be placed."

² Sec. 602(c)(3), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, inserted "or Indian tribe".

³ Sec. 602(c)(3), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, inserted "or tribe".

⁴ Sec. 602(c)(4), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799 deleted at this point the proviso that read:

"That if the public agency undertakes to construct only a portion of a planned public work it shall repay such proportionate amount of the advances relating to the public work as the Administrator determines to be equitable: *And provided further*,"

⁵ Immediately prior to amendment by sec. 602(a), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, subsec. (e) read as follows:

"(e) In order to provide moneys for advances in accordance with this section, the Administrator is hereby authorized to establish a revolving fund which shall comprise all moneys heretofore or hereafter appropriated pursuant to this section, together with all repayments and other receipts in connection with advances made under this section. There are hereby authorized to be appropriated to such revolving fund, in addition to the amount authorized by this section as originally enacted, the further amounts of \$12,000,000 which may be made available to the revolving fund on or after July 1, 1956; \$12,000,000 which may be made available to such fund on or after July 1, 1957; \$14,000,000 which may be made available to such fund on or after July 1, 1958; \$10,000,000 which may be made available to such fund on or after July 1, 1961; and such additional sums which may be made available from year to year thereafter as may be estimated to be necessary to maintain not to exceed a total of \$58,000,000 in undisbursed balances in the revolving fund and in advances outstanding for plans in preparation or for completed plans with respect to projects which, in the determination of the Administrator, can be expected to be undertaken within a reasonable period of time."

⁶ September 2, 1964.

⁷ Sec. 1104, Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 503, substituted "\$70,000,000," for "\$20,000,000."

(f) ¹ The Secretary is authorized to use during any fiscal year not to exceed \$100,000 ² of the moneys in the revolving fund (established under subsection (e)) to conduct surveys of the status and current volume of State and local public works planning and surveys of estimated requirements for State and local public works: *Provided*, That the Secretary, in conducting any such survey, may utilize or act through any Federal department or agency with its consent.

(g) ³ Notwithstanding any other provision of this section, no advance made under this section for the planning of any public works project shall be required to be repaid if construction of such project is initiated as a result of a grant-in-aid made from an allocation made by the President under the Public Works Acceleration Act.

(h) ⁴ (1) Notwithstanding any other provision of law, if a public agency or Indian tribe undertakes to construct only a portion of a public work planned with an advance under this section, under title V of the War Mobilization and Reconversion Act of 1944, or under the Act of October 13, 1949, it shall repay only such proportionate amount of the advance relating to the public work as the Secretary determines to be equitable.

(2) The Secretary is authorized to terminate, upon such terms and conditions as he shall deem equitable, all or a portion of the liability for repayment of any advance made under this section, title V of the War Mobilization and Reconversion Act of 1944, or the Act of October 13, 1949. Whenever the Secretary determines that there is no reasonable likelihood that the public work, or a portion of the public work, planned with such advance will be constructed, he may terminate the agreement for the advance. Such determination shall be conclusive and shall be based on standards prescribed by regulations to be issued by the Secretary.

DEFINITIONS

SEC. 703. As used in this title, (1) the term "State" shall mean any State, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and the Trust Territory of the Pacific Islands; ⁵ (2) the term "Secretary" shall mean the Secretary of Housing and Urban Development; (3) the term "public works" shall include any public works other than housing; and (4) the term "public agency" or "public agencies" shall mean any State, as herein defined, or any public agency or political subdivision therein.

* * * * *

Approved August 2, 1954.

¹ Sec. 801, Housing Act of 1959, Public Law 86-372, approved September 23, 1959, 73 Stat. 654, 686, added this subsection.

² Sec. 602(d), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, substituted "\$100,000" for "\$50,000".

³ Sec. 6, Public Works Acceleration Act, Public Law 87-658, approved September 14, 1962, 76 Stat. 541, 544, added this subsection.

⁴ Sec. 602(b), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 799, added this subsection.

⁵ Sec. 401(c) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, added the words "and the Trust Territory of the Pacific Islands".

EXCERPT FROM HOUSING AND URBAN DEVELOPMENT ACT OF 1965

[Public Law 89-117, 79 Stat. 451, 509; 40 U.S.C. 462nt.]

REPAYMENT OF CERTAIN PLANNING GRANTS

SEC. 1112. Notwithstanding any other provision of law, no advance made under section 501 of Public Law 458, Seventy-eighth Congress; Public Law 352, Eighty-first Congress; or section 702, Housing Act of 1954, Public Law 560, Eighty-third Congress, for the planning of any public works project shall be required to be repaid if construction of such project has been heretofore or is hereafter initiated as a result of a grant-in-aid made from an allocation made by the President under the Public Works Acceleration Act.

* * * * *

Approved August 10, 1965.

PUBLIC FACILITIES LOANS

EXCERPTS FROM HOUSING AMENDMENTS OF 1955

[Public Law 345, 84th Congress, 69 Stat. 635, 642; 42 U.S.C. 1491]

TITLE II—PUBLIC FACILITY LOANS

DECLARATION OF POLICY

SEC. 201. It has been the policy of the Congress to assist wherever possible the States and their political subdivisions, and ¹ Indian tribes to provide the services and facilities essential to the health and welfare of the people of the United States.

The Congress finds that in many instances municipalities, or other political subdivisions of States, and ¹ Indian tribes, which seek to provide essential public works or facilities (including ² mass transportation facilities and equipment), are unable to raise the necessary funds at reasonable interest rates.

It is the purpose of this title (subject to the limitations contained herein) to authorize the extension of credit to assist in the provision of certain essential public works or facilities by States, municipalities, or other political subdivisions of States, and ¹ Indian tribes, where such credit is not otherwise available on reasonable terms and conditions.

FEDERAL LOANS

SEC. 202. (a) The Secretary of Housing and Urban Development ³ is authorized ⁴ (1) to purchase the securities and obligations of, or make loans to, municipalities and other political subdivisions and instrumentalities of one or more States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions of one or more States), and ⁵ Indian tribes to finance spe-

¹ Sec. 1 of Public Law 87-808, approved October 15, 1962, 76 Stat. 920, inserted "and Indian tribes".

² Sec. 501(a)(1), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 173, inserted this parenthetical phrase.

³ Sec. 12, Public Law 90-19, approved May 25, 1967, 81 Stat. 17, 23, substituted "Secretary of Housing and Urban Development" and "Secretary" for "Housing and Home Finance Administrator" and "Administrator" throughout title II in order to make it conform to the Department of Housing and Urban Development Act, which placed all the functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

See Reorganization Plan No. 2 of 1968, which transferred functions in this Act related to mass transportation to the Secretary of Transportation.

⁴ Sec. 601(a), Housing Act of 1964, Public Law 88-560, approved Sept. 2, 1964, 78 Stat. 769, 798, amended the first sentence of subsec. 202(a) to make clear that instrumentalities of one or more States, and instrumentalities of municipalities or other political subdivisions in one or more States are eligible for public facility loans. Immediately prior to amendment by sec. 601(a) of the Housing Act of 1964 that part of the first sentence from the beginning down to the end of clause (1) read as follows:

"The Housing and Home Finance Administrator is authorized (1) to purchase the securities and obligations of, or make loans to, municipalities and other political subdivisions and instrumentalities of States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions in the same State), and Indian tribes to finance specific projects for public works or facilities under State, municipal, or other applicable law, and".

⁵ Sec. 2(a) of Public Law 87-808, approved Oct. 15, 1962, 76 Stat. 920, inserted "and Indian tribes".

cific projects for public works or facilities under State, municipal, or other applicable law, and (2) to purchase the securities and obligations of, or make loans to, States, municipalities and other political subdivisions of States, public agencies and instrumentalities of one or more States, municipalities and political subdivisions of States, and public corporations, boards, and commissions established under the laws of any State, to finance the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas, and for use in coordinating highway, bus, surface-rail, underground, parking and other transportation facilities in such areas. The facilities and equipment referred to in clause (2) may include land, but not public highways, and any other real or personal property needed for an economic, efficient, and coordinated mass transportation system. No such purchase or loan shall be made for payment of ordinary governmental or nonproject operating expenses.

(b) The powers granted in subsection (a) of this section shall be subject to the following restrictions and limitations:

(1) No financial assistance shall be extended under this section unless the financial assistance applied for is not otherwise available on reasonable terms, and all securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations or otherwise.

(2) No securities or obligations shall be purchased, and no loans shall be made, including renewals or extensions thereof, which have maturity dates in excess of forty years. Subject¹ to such maximum maturity, the Secretary in his discretion may provide for the postponement of the payment of interest on not more than 50 per centum of any financial assistance extended to an applicant under this section for a period up to ten years where (A) such assistance does not exceed 50 per centum of the development cost of the project involved, and (B) it is determined by the Secretary that such applicant will experience above-average population growth and the project would contribute to orderly community development, economy, and efficiency; and any amounts so postponed shall be payable with interest in annual installments during the remaining maturity of such assistance.

(3)² Financial assistance extended under this section shall bear interest at a rate determined by the Secretary which shall be not more than the higher of (A) 3 per centum per annum, or (B) the total of one-half of 1 per centum per annum added to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury as provided in section 203(a).

(4)³ No financial assistance shall be extended under clause (1) of subsection (a) of this section (A) to any municipality or other po-

¹ This sentence added by sec. 501(c), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174.

² Added by sec. 501(d)(1), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174.

³ Added by sec. 501(e), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174.

litical subdivision having a population of fifty thousand or more ¹ (one hundred fifty thousand or more in the case of a community situated in an area designated as a redevelopment area under the Area Redevelopment Act or any Act supplementary thereto) according to the most recent decennial census, or; (B)² to any public agency or instrumentality serving one or more municipalities, political subdivisions or unincorporated areas in one or more States, unless each municipality, political subdivision, or unincorporated area to be served by the specific public work or facility for which assistance is sought under this section has a population less than the applicable figure under clause (A) according to such census. This ³ paragraph shall not apply to any financial assistance to be extended under subsection (a) of this section for the purpose of financing any project for public works or facilities (i) in a community in or near which is located a research or development installation of the National Aeronautics and Space Administration, or (ii) to be initiated or accelerated as the result of a grant-in-aid from an allocation made by the President under section 9 ⁴ of the Public Works Acceleration Act, or (iii) to be provided in connection with the establishment of a new community approved under section 1004 of the National Housing Act or under part B of the Urban Growth and New Community Development Act of 1970.

(c) In the processing of applications for financial assistance under clause (1) of ⁵ subsection (a) of this section the Secretary shall give priority to applications of smaller municipalities for assistance in the construction of basic public works (including works for the storage, treatment, purification, or distribution of water; sewage, sewage treatment, and sewer facilities; and gas distribution systems) for which there is an urgent and vital public need. As used in this section, a "smaller municipality" means an incorporated or unincorporated town, or other political subdivision of a State, which had a population of less than ten thousand inhabitants at the time of the last Federal census, or ⁶ an Indian tribe. Notwithstanding ⁷ any other provision of this title the Secretary may extend financial assistance, as otherwise authorized by clause (1) of subsection (a) of this section, to any private nonprofit corporation to finance the construction of works for the storage, treat-

¹ Sec. 1107(b)(1), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 503, substituted this parenthetical phrase for the following: "(one hundred fifty thousand or more in the case of a community situated in an area designated as a redevelopment area under section 5 of the Area Redevelopment Act or in the case of a community in or near which is located a research or development installation of the National Aeronautics and Space Administration)".

The Area Redevelopment Act was superseded by the Public Works and Economic Development Act of 1965, Public Law 89-136, 79 Stat. 552, 42 U.S.C. 3121, excerpts from which appear *infra*.

² Sec. 601(b)(2), Housing Act of 1964, Public Law 88-560, approved September 2, 1964, 78 Stat. 769, 789, substituted this clause for the following: "to any public agency or instrumentality of one or more municipalities or other political subdivisions having a population (or an aggregate population) equal to or exceeding that figure according to such census."

³ This sentence, except clauses (i) and (iii), added by sec. 5(a), Public Works Acceleration Act, Public Law 87-658, approved September 14, 1962, 76 Stat. 541, 543, Clause (i) was inserted by sec. 1107(b)(2), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 503. Clause (iii) was inserted by sec. 407, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1273.

⁴ So designated in the enrolled enactment. Reference is to "section 3" rather than "section 9."

⁵ Sec. 501(f), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174, substituted "clause (1) of subsection (a) of this section" for "this section."

⁶ Sec. 2(b) of Public Law 87-308, approved October 15, 1962, 76 Stat. 920, inserted "or an Indian tribe."

⁷ This sentence added by sec. 1107(a), Housing and Urban Development Act of 1965, Public Law 89-117, approved August 10, 1965, 79 Stat. 451, 503.

ment, purification, or distribution of water or the construction of sewage, sewage treatment, and sewer facilities, if such works or facilities are needed to serve a smaller municipality or rural area, and there is no existing public body able to construct and operate such works or facilities.

(d)¹ No loans may be made for transportation facilities or equipment, pursuant to clause (2) of subsection (a) of this section, unless the Secretary determines (1) that there is being actively developed (or has been developed) for the urban or other metropolitan area served by the applicant a program, meeting criteria established by him, for the development of a comprehensive and coordinated mass transportation system; (2) that the proposed facilities or equipment can reasonably be expected to be required for such a system; and (3) if such program has not been completed, that there is an urgent need for the provision of the facilities or equipment to be commenced prior to the time that the program could reasonably be expected to be completed: *Provided*, That no such loan shall be made, except under a prior commitment, after June 30, 1963.²

(e) The³ Secretary is authorized to make a grant-in-aid from any allocation made for such purpose by the President under section 9⁴ of the Public Works Acceleration Act to any public entity described in clause (1) of subsection (a) of this section of not to exceed 50 per centum of the cost of construction of any project for public works or facilities, if such project would be eligible (without regard to the restrictions and limitations of subsections (b) and (c) of this section) for financial assistance under clause (1) of subsection (a) of this section in accordance with the rules and regulations of the Secretary (as in effect on the date of enactment of this subsection) relating to the types of public works and facilities to which such assistance may be extended.

(f)⁵ The restrictions and limitations set forth in subsection (c) of this section shall not apply to assistance to municipalities, other political subdivisions and instrumentalities of one or more States, and Indian tribes, for specific projects for cultural centers, including but not limited to, museums, art centers and galleries, and theaters and other physical facilities for the performing arts, which would be of cultural, educational, and information value to the communities and areas where the centers would be located.

FINANCING

SEC. 203. (a) In order to finance activities under this title, the Secretary is authorized and empowered to issue to the Secretary of the Treasury, from time to time and to have outstanding at any one time, notes⁶ and other obligations in an amount not to exceed

¹ Added by sec. 501(g), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174.

² Public Law 87-809, approved October 15, 1962, 76 Stat. 920, substituted "June 30, 1963" for "December 31, 1962."

³ Added by sec. 5(b), Public Works Acceleration Act, Public Law 87-658, approved September 14, 1962, 76 Stat. 541, 543.

⁴ So designated in the enrolled enactment. Reference is to "section 3" rather than "section 9."

⁵ Added by sec. 1009, Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754, approved November 3, 1966, 80 Stat. 1255, 1286.

⁶ Immediately prior to amendment by sec. 501(h), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 175, the remainder of this sentence read: "in an amount not exceeding \$150,000,000, notes and other obligations."

\$650,000,000: *Provided*, That, of the funds obtained through the issuance of such notes and other obligations, \$600,000,000 shall be available only for purchases and loans pursuant to clause (1) of section 202(a) of this title and \$50,000,000 shall be available only for purchases and loans pursuant to clause (2) of such section. Such obligations shall be in such forms and denominations, have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such¹ notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Secretary and adjusted to the nearest one-eighth of 1 per centum.

The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(b) Funds borrowed under this section and any proceeds shall constitute a revolving fund which may be used by the Secretary in the exercise of his functions under this title.

GENERAL PROVISIONS

SEC. 204. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsection (c) (2), of the Housing Act of 1950. Funds obtained or held by the Secretary in connection with the performance of his functions under this title shall be available for the administrative expenses of the Secretary in connection with the performance of such functions.

* * * * *

SEC. 206.² As used in this title, the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico,

¹ Sec. 501(d) (2), Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 174, amended the third sentence of subsec. 203(a) to read as set forth in the text. Immediately prior to amendment by sec. 501(d) (2) this sentence read:

"Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of such notes or other obligations."

² Sec. 206 was added by sec. 603 of the Housing Act of 1956, Public Law 1020, 84th Congress, approved August 7, 1956, 70 Stat. 1091, 1114, except for the reference to the Trust Territory of the Pacific Islands which was inserted by sec. 403(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 395.

the Trust Territory of the Pacific Islands, and the territories and possessions of the United States.

SEC. 207.¹ The Secretary is authorized to establish technical advisory services to assist municipalities and other political subdivisions and instrumentalities, and ² Indian tribes, in the budgeting, financing, planning, and construction of community facilities. There are hereby authorized to be appropriated such sums as may be necessary, together with any fees that may be charged, to cover the cost of such services.

* * * * *

Approved August 11, 1955.

¹Sec. 207 was added by sec. 501(i) of the Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 149, 175.

²Sec. 3 of Public Law 87-808, approved October 15, 1962, 76 Stat. 920, inserted “, and Indian tribes”.

EXCERPTS FROM HOUSING AND URBAN DEVELOPMENT ACT OF 1965

[Public Law 89-117, 79 Stat. 451, 489; 42 U.S.C. 3101]

TITLE VII—COMMUNITY FACILITIES

PURPOSE

SEC. 701. The purpose of this title is to assist and encourage the communities of the Nation fully to meet the needs of their citizens by making it possible, with Federal grant assistance, for their governmental bodies (1) to construct adequate basic water and sewer facilities needed to promote the efficient and orderly growth and development of our communities, (2) to construct neighborhood facilities needed to enable them to carry on programs of necessary social services, and (3) to acquire, in a planned and orderly fashion, land to be utilized in the future for public purposes.¹

GRANTS FOR BASIC WATER AND SEWER FACILITIES

SEC. 702. (a) The Secretary of Housing and Urban Development² (hereinafter in this title referred to as the "Secretary") is authorized to make grants to local public bodies and agencies to finance specific projects for basic public water facilities (including works for the storage, treatment, purification, and distribution of water), and for basic public sewer facilities (other than "treatment works" as defined in the Federal Water Pollution Control Act³): *Provided*, That no grant shall be made under this section for any sewer facilities unless the Secretary of Health, Education, and Welfare⁴ certifies to the Secretary that any waste material carried by such facilities will be adequately treated before it is discharged into any public waterway so as to meet applicable Federal, State, interstate, or local water quality standards.

(b) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the development cost of the project: *Provided*, That in the case of a community having a population of less than ten thousand, according to the most recent decennial census, which is situated within a metropolitan area, the Secretary

¹ Sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, substituted "in the future for public purposes" for "in connection with the future construction of public works and facilities".

² Sec. 22, Public Law 90-19, approved May 25, 1967, 81 Stat. 17, 26, substituted "Secretary of Housing and Urban Development" and "Secretary" for "Housing and Home Finance Administrator" and "Administrator" throughout this title in order to make it conform to the Department of Housing and Urban Development Act which placed all the functions of the Housing and Home Finance Administrator in the Secretary of Housing and Urban Development.

³ "Treatment works" is defined in the Federal Water Pollution Control Act as "the various devices used in the treatment of sewage or industrial wastes of a liquid nature, including the necessary intercepting sewers, outfall sewers, pumping, power, and other equipment, and their appurtenances, and includes any extensions, improvements, remodeling, additions, and alterations thereof" (33 U.S.C. 466j).

⁴ The functions of the Secretary of Health, Education, and Welfare under sec. 702(a) were transferred to the Secretary of the Interior by Reorganization Plan No. 2 of 1966, effective May 10, 1966.

may increase the amount of a grant for a basic public water or ¹ sewer facility assisted under this section to not more than 90 per centum of the development cost of such facility, if the community is unable to finance the construction of such facility without the increased grant authorized under this subsection, and if in such community (1) there does not exist a public or other adequate water or ¹ sewer facility which serves a substantial portion of the inhabitants of the community, and (2) the rate of unemployment is, and has been continuously for the preceding calendar year, 100 per centum above the national average: *And provided further*, That the limitations and restrictions contained in subsection (c) of this section shall not be applicable to any community applying for an increased grant under this subsection.

(c) No grant shall be made under this section in connection with any project unless the Secretary determines that the project is necessary to provide adequate water or sewer facilities for, and will contribute to the improvement of the health or living standards of, the people in the community to be served, and that the project is (1) designed so that an adequate capacity will be available to serve the reasonably foreseeable growth needs of the area; (2) consistent with a program meeting criteria, established by the Secretary, for a unified or officially coordinated areawide water or sewer facilities system as part of the comprehensively planned development of the area, except that prior to June 30, 1974 ² grants may, in the discretion of the Secretary, be made under this section when such a program for an areawide water and sewer facilities system is under active preparation, although not yet completed, if the facility or facilities for which assistance is sought can reasonably be expected to be required as a part of such program, and there is urgent need for the facility or facilities; and (3) necessary to orderly community development.

(d)³ In the administration of this section, the Secretary shall require that, to the greatest extent practicable, new job opportunities be provided for unemployed or underemployed persons in connection with projects the financing of which is assisted under this section.

GRANTS FOR NEIGHBORHOOD FACILITIES

SEC. 703. (a) In accordance with the provisions of this section, the Secretary is authorized to make grants to any local public body or agency to assist in financing specific projects for neighborhood facilities. Any such project may be undertaken by such body or agency

¹ Sec. 604(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 534, added "water or".

² Sec. 6 of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, 776, substituted "June 30, 1972" for "October 1, 1971", and sec. 7 of Public Law 92-335, approved July 1, 1972, 86 Stat. 405, substituted "September 30, 1972" for "June 30, 1972". Previous to this extension, Section 3(c), Emergency Community Facilities Act of 1970, Public Law 91-431, effective without the President's signature, October 6, 1970, 84 Stat. 886, substituted "October 1, 1971" for "October 1, 1970"; sec. 604(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 534, substituted "October 1, 1969" for "July 1, 1968" and sec. 305(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 391, substituted "October 1, 1970" for "October 1, 1969"; Sec. 9 of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, substituted "June 30, 1974" for "September 30, 1972".

³ Sec. 604(c), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 534, added subsection (d).

directly or through a nonprofit organization by it: *Provided*, That no grant shall be provided under this section for any project to be undertaken through a nonprofit organization unless the Secretary determines (1) that such organization has or will have the legal, financial, and technical capacity to carry out the project, and (2) that the public body or agency to which the grant is made will have satisfactory continuing control over the use of the proposed facilities.

(b) The amount of any grant made under the authority of this section shall not exceed $66\frac{2}{3}$ per centum of the development cost of the project for which the grant is made (or 75 per centum of such cost in the case of a project located in an area which at the time the grant is made is designated as a redevelopment area under the Area Redevelopment Act or any Act supplementary thereto).¹

(c) No grant shall be made under this section for any project unless the Secretary determines that the project will provide a neighborhood facility which is (1) necessary for carrying out a program of health, recreational, social, or similar community service (including a community action program approved under title II of the Economic Opportunity Act of 1964)² in the area, (2) consistent with comprehensive planning for the development of the community, and (3) so located as to be available for use by a significant portion (or number in the case of large urban places) of the area's low- or moderate-income residents.

(d) For a period of twenty years after a grant has been made under this section for a neighborhood facility, such facility shall not, without the approval of the Secretary, be converted to uses other than those proposed by the applicant in its application for a grant. The Secretary shall not approve any conversion in the use of such a neighborhood facility during such twenty-year period unless he finds that such conversion is in accordance with the then applicable program of health, recreational, social, or similar community services in the area and consistent with comprehensive planning for the development of the community in which the facility is located. In approving any such conversion, the Secretary may impose such additional conditions and requirements as he deems necessary.

(e) The Secretary shall give priority to applications for projects designed primarily to benefit members of low-income families or otherwise substantially further the objectives of a community action program approved under title II of the Economic Opportunity Act of 1964.

ADVANCE ACQUISITION OF LAND

SEC. 704. (a) In order to encourage and assist the timely acquisition of land planned to be utilized in the future³ for public purposes, the Secretary is authorized to make grants to States⁴ and local public bodies and agencies to assist in financing the acquisition of a fee simple estate or other interest in such land.

¹ See Public Works and Economic Development Act of 1965.

² 42 U.S.C. 2781.

³ Sec. 603, Housing and Urban Development Act of 1968, Public Law 90-488, approved Aug. 1, 1968, 82 Stat. 476, 533, substituted "in the future for public purposes" for "in connection with the future construction of public works or facilities".

⁴ Sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, added "to States".

(b) ¹ The amount of any grant made under this section shall not exceed the aggregate amount of reasonable interest charges on the loans or other financial obligations incurred to finance the acquisition of such land for a period not in excess of the lesser of (1) five years from the date of acquisition of such land or (2) the period of time between the date on which the land was acquired and the date its use began for the purpose for which it was acquired: *Provided*, That where all or any portion of the cost of such land is not financed through borrowings, the amount of the grant shall be computed on the basis of the aggregate amount of reasonable interest charges that the Secretary determines would have been required.

(c) ² No grant shall be made under this section unless the Secretary determines that the land will be utilized for a public purpose within a reasonable period of time and that such utilization will contribute to economy, efficiency, and the comprehensively planned development of the area. The Secretary shall in all cases require that land acquired with the assistance of a grant under this section be utilized for a public purpose within five years after the date on which a contract to make such grant is entered into, unless the Secretary (1) determines that due to unusual circumstances a longer period of time is necessary and in the public interest, and (2) reports such determination promptly to the Committees on Banking and Currency of the Senate and House of Representatives.

(d) ³ No land acquired with assistance under this section shall, without approval of the Secretary, be diverted from the purpose originally approved. The Secretary shall approve no such diversion unless he finds that the diversion is in accord with the then applicable comprehensive plan for the area. In cases of a diversion of land to other than a public purpose, the Secretary may require repayment of the grant, or substitution of land of approximately equal fair market value, whichever he deems appropriate. An interim use of the land for a public or private purpose in accordance with standards prescribed by the Secretary, or approved by him, shall not constitute a diversion within the meaning of this subsection.

(e) ⁴ Notwithstanding any other provision of law, no project for which land is acquired with assistance under this section shall, solely

¹ Prior to amendment by sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, this subsection read as follows: "The amount of any grant made under the authority of this section shall not exceed the aggregate amount of reasonable interest charges on the loan or other financial obligation incurred to finance the acquisition of such land for a period not exceeding the lesser of (1) five years from the date such loan was made or such financial obligation was incurred, or (2) the period of time between the date such loan was made or such financial obligation was incurred and the date construction is begun on the public work or facility for which the land acquired was planned to be utilized."

² Prior to amendment by sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, subsection (c) read as follows: "No grant shall be made under this section for any project for the acquisition of land unless the Secretary determines that the public work or facility for which such land is to be utilized is planned to be constructed or initiated within a reasonable period of time (not to exceed five years after a contract to make such grant is entered into) and that construction of such public work or facility will contribute to economy, efficiency, and the comprehensively planned development of the area."

³ Prior to amendment by sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, subsection (d) read as follows: "As a condition to providing assistance under this section, the Secretary may, under terms and conditions prescribed by him, require an applicant to agree to repay such assistance, if (1) the land purchased with such assistance is not utilized within five years after the agreement is entered into in connection with the construction of the public work or facility for which such land was acquired, or (2) such land is diverted to other uses." See also subsection (c).

⁴ Sec. 603, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 533, added subsection (e).

as a result of such advance acquisition, be considered ineligible for the purpose of any other Federal loan or grant program, and the amount of the purchase price paid for the land by the recipient of a grant under this section may be considered an eligible cost for the purpose of such other Federal loan or grant program.

GENERAL PROVISIONS

SEC. 705. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (a), (c) (2), and (f) of the Housing Act of 1950.

(b) The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, to make advance or progress payments on account of any grant made pursuant to this title. No part of any grant authorized to be made by the provisions of this title shall be used for the payment of ordinary governmental operating expenses.

DEFINITIONS

SEC. 706. As used in this title—

(a) The term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(b) The term "local public bodies and agencies" includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, or political subdivisions of one or more States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions of one or more States); Indian tribes; and boards or commissions established under the laws of any State to finance specific capital improvement projects.

(c) The term "development cost" means the cost of constructing the facility and of acquiring the land on which it is located, including necessary site improvements to permit its use as a site for the facility.

LABOR STANDARDS

SEC. 707. All laborers and mechanics employed by contractors or subcontractors on projects assisted under sections 702 and 703 shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). No such project shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

APPROPRIATIONS

SEC. 708. (a) There are authorized to be appropriated for each fiscal year commencing after June 30, 1965, and ending prior to July 1, 1969, not to exceed (1) \$200,000,000¹ (or \$350,000,000 in the case of the fiscal year commencing July 1, 1968) for grants under section 702, (2) \$50,000,000 for grants under section 703, and (3) \$25,000,000 for grants under section 704. In² addition, there is authorized to be appropriated for grants under section 702 not to exceed \$115,000,000 for the fiscal year commencing July 1, 1969, and³ not to exceed \$100,000,000 for the fiscal year commencing July 1, 1970. In addition,⁴ upon the enactment of the Emergency Community Act of 1970, there is authorized to be appropriated for grants under section 702 not to exceed \$1,000,000,000 for the fiscal year commencing July 1, 1970. In addition⁵ there is authorized to be appropriated for the fiscal year commencing July 1, 1971, not to exceed \$50,000,000 for grants under section 703. In addition, there are authorized to be appropriated for the fiscal year commencing July 1, 1973, not to exceed \$40,000,000 for grants under section 703.⁶

(b) Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1974.⁷

* * * * *

Approved August 10, 1965.

¹ Sec. 605(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, added "(or \$350,000,000 in the case of the fiscal year commencing July 1, 1968)".

² Sec. 605(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, added the grant authorization of \$115,000,000 for the fiscal year commencing July 1, 1969.

³ Sec. 305(c), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 391, added the remainder of this sentence.

⁴ Sec. 3(a), Emergency Community Facilities Act of 1970, Public Law 91-431, effective without the President's signature October 6, 1970, 84 Stat. 886, added the grant authorization of \$1,000,000,000 for the fiscal year commencing July 1, 1970.

Sec. 2 (a) and (b), Emergency Community Facilities Act of 1970, reads as follows:

"Sec. 2. (a) The Congress finds that a large number of municipalities and other entities of local government throughout the Nation are unable to finance construction of vital and urgently needed public facilities because of the shortage of funds for long-term borrowing.

"(b) The Congress further finds that there is an immediate need for such facilities in order to provide basic safeguards for the health and well-being of the people of the United States, to check widespread pollution of irreplaceable water sources, and to provide an effective and practical method of combating rising unemployment."

⁵ Sec. 304(a), Housing and Urban Development Act of 1970, Public Law 91-609 (approved December 31, 1970, 84 Stat. 1770, 1780, added the last sentence of this subsection.

⁶ Sec. 8(a) of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, added this sentence to the end of this subsection.

⁷ Sec. 3(b), Emergency Community Facilities Act of 1970, Public Law 91-431, effective without the President's signature October 6, 1970, 84 Stat. 886, and sec. 304(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, each substituted "July 1, 1972" for "July 1, 1971". Sec. 3 of Public Law 92-335, approved July 1, 1972, 86 Stat. 405, substituted "September 30, 1972" for "July 1, 1972". Sec. 8(b) of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, substituted "July 1, 1974", for "September 30, 1972".

MODEL CITIES PROGRAM

EXCERPTS, DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966

[Public Law 89-754, 80 Stat. 1255, 42 U.S.C. 3301]

TITLE I—COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. The Congress hereby finds and declares that improving the quality of urban life is the most critical domestic problem facing the United States. The persistence of widespread urban slums and blight, the concentration of persons of low income in older urban areas, and the unmet needs for additional housing and community facilities and services arising from rapid expansion of our urban population have resulted in a marked deterioration in the quality of the environment and the lives of large numbers of our people while the Nation as a whole prospers.

The Congress further finds and declares that cities, of all sizes, do not have adequate resources to deal effectively with the critical problems facing them, and that Federal assistance in addition to that now authorized by the urban renewal program and other existing Federal grant-in-aid programs is essential to enable cities to plan, develop, and conduct programs to improve their physical environment, increase their supply of adequate housing for low- and moderate-income people, and provide educational and social services vital to health and welfare.

The purposes of this title are to provide additional financial and technical assistance to enable cities of all sizes (with equal regard to the problems of small as well as large cities) to plan, develop, and carry out locally prepared and scheduled comprehensive city demonstration programs containing new and imaginative proposals to rebuild or revitalize large slum and blighted areas; to expand housing, job, and income opportunities; to reduce dependence on welfare payments; to improve educational facilities and programs; to combat disease and ill health; to reduce the incidence of crime and delinquency; to enhance recreational and cultural opportunities; to establish better access between homes and jobs; and generally to improve living conditions for the people who live in such areas, and to accomplish these objectives through the most effective and economical concentration and coordination of Federal, State, and local public and private efforts to improve the quality of urban life.

BASIC AUTHORITY

SEC. 102. The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make grants

and provide technical assistance, as provided by this title, to enable city demonstration agencies (as defined in section 112(2)) to plan, develop, and carry out comprehensive city demonstration programs in accordance with the purposes of this title.

ELIGIBILITY FOR ASSISTANCE

SEC. 103. (a) A comprehensive city demonstration program is eligible for assistance under sections 105 and 107 only if—

(1) physical and social problems in the area of the city covered by the program are such that a comprehensive city demonstration program is necessary to carry out the policy of the Congress as expressed in section 101;

(2) the program is of sufficient magnitude to make a substantial impact on the physical and social problems and to remove or arrest blight and decay in entire sections or neighborhoods; to contribute to the sound development of the entire city; to make marked progress in reducing social and educational disadvantages, ill health, underemployment, and enforced idleness; and to provide educational, health, and social services necessary to serve the poor and disadvantaged in the area, widespread citizen participation in the program, maximum opportunities for employing residents of the area in all phases of the program, and enlarged opportunities for work and training;

(3) the program, including rebuilding or restoration, will contribute to a well-balanced city with a substantial increase in the supply of standard housing of low and moderate cost, maximum opportunities in the choice of housing accommodations for all citizens of all income levels, adequate public facilities (including those needed for education, health and social services, transportation, and recreation), commercial facilities adequate to serve the residential areas, and ease of access between the residential areas and centers of employment;

(4) any program which includes a transportation component as a project or activity to be undertaken meets the requirements of section 3(e) of the Urban Mass Transportation Act of 1964;¹

(5) the various projects and activities to be undertaken in connection with such programs are scheduled to be initiated within a reasonably short period of time; adequate local resources are, or will be available for the completion of the program as scheduled, and, in the carrying out of the program, the fullest utilization possible will be made of private initiative and enterprise; administrative machinery is available at the local level for carrying out the program on a consolidated and coordinated basis; substantive local laws, regulations, and other requirements are, or can be expected to be, consistent with the objective of the program; there exists a relocation plan meeting the requirements of the regulations referred to in section 107; the local governing body has approved the program and, where appropriate, applications for assistance under the program; agencies whose coopera-

¹ Sec. 105 of the National Mass Transportation Assistance Act of 1974, Public Law 93-503, 88 Stat. 1566, approved November 26, 1974, amended section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966, by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and inserting a new paragraph (4).

tion is necessary to the success of the program have indicated their intent to furnish such cooperation; the program is consistent with comprehensive planning for the entire urban or metropolitan area; and the locality will maintain, during the period an approved comprehensive city demonstration program is being carried out, a level of aggregate expenditures for activities similar to those being assisted under this title which is not less than the level of aggregate expenditures for such activities prior to initiation of the comprehensive city demonstration program; and

(6) the program meets such additional requirements as the Secretary may establish to carry out the purposes of this title: *Provided*, That the authority of the Secretary under this paragraph shall not be used to impose criteria or establish requirements except those which are related and essential to the specific provisions of this title.

(b) In implementing this title the Secretary shall—

(1) emphasize local initiative in the planning, development, and implementation of comprehensive city demonstration programs;

(2) insure, in conjunction with other appropriate Federal departments and agencies and at the direction of the President, maximum coordination of Federal assistance provided in connection with this title, prompt response to local initiative, and maximum flexibility in programing, consistent with the requirements of law and sound administrative practice; and

(3) encourage city demonstration agencies to (A) enhance neighborhoods by applying a high standard of design, (B) maintain, as appropriate, natural and historic sites and distinctive neighborhood characteristics, and (C) make maximum possible use of new and improved technology and design, including cost reduction techniques.

(c) The preparation of demonstration city programs should include to the maximum extent feasible (1) the performance of analyses that provide explicit and systematic comparisons of the costs and benefits, financial and otherwise, of alternative possible actions or courses of action designed to fulfill urban needs; and (2) the establishment of programing systems designed to assure effective use of such analyses by city demonstration agencies and by other government bodies.

(d) Nothing in this section shall authorize the Secretary to require (or condition the availability or amount of financial assistance authorized to be provided under this title upon) the adoption by any community of a program (1) by which pupils now resident in a school district not within the confines of the area covered by the city demonstration program shall be transferred to a school or school district including all or part of such area, or (2) by which pupils now resident in a school district within the confines of the area covered by the city demonstration program shall be transferred to a school or school district not including a part of such area.

FINANCIAL ASSISTANCE FOR PLANNING COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

SEC. 104. (a) The Secretary is authorized to make grants to, and to contract with, city demonstration agencies to pay 80 per centum of

the cost of planning and developing comprehensive city demonstration programs.

(b) Financial assistance will be provided under this section only if (1) the application for such assistance has been approved by the local governing body of the city, and (2) the Secretary has determined that there exist (A) administrative machinery through which coordination of all related planning activities of local agencies can be achieved, and (B) evidence that necessary cooperation of agencies engaged in related local planning can be obtained.

FINANCIAL ASSISTANCE FOR APPROVED COMPREHENSIVE CITY
DEMONSTRATION PROGRAMS

SEC. 105. (a) The Secretary is authorized to approve comprehensive city demonstration programs if, after review of the plans, he determines that such plans satisfy the criteria for such programs set forth in section 103.

(b) The Secretary is authorized to make grants to, and to contract with, city demonstration agencies to pay 80 per centum of the cost of administering approved comprehensive city demonstration programs, but not the cost of administering any project or activity assisted under a Federal grant-in-aid program.

(c) To assist the city to carry out the projects or activities included within an approved comprehensive city demonstration program, the Secretary is authorized to make grants to the city demonstration agency of not to exceed 80 per centum of the aggregate amount of non-Federal contributions otherwise required to be made to all projects or activities assisted by Federal grant-in-aid programs (as defined in section 112(1)) which are carried out in connection with such demonstration program: *Provided*, That no Federal grant-in-aid program shall be considered to be carried out in connection with such demonstration program unless it is closely related to the physical and social problems in the area of the city covered by the program and unless it can reasonably be expected to have a noticeable effect upon such problems. The specific amount of any such grant shall take into account the number and intensity of the economic and social pressures in the sections or neighborhoods involved, such as those involving or resulting from population density, poverty levels, unemployment rate, public welfare participation, educational levels, health and disease characteristics, crime and delinquency rate, and degree of substandard and dilapidated housing. The amount of non-Federal contribution required for each project in a Federal grant-in-aid program shall be certified to the Secretary by the Federal department or agency (other than the Department of Housing and Urban Development) administering such program, and the Secretary shall accept such certification in computing the grants hereunder.

(d) Grant funds provided to assist projects and activities included within an approved comprehensive city demonstration program pursuant to subsection (c) of this section shall be made available to assist new and additional projects and activities not assisted under a Federal grant-in-aid program. To the extent such funds are not necessary to support fully such new and additional projects and activities, they may be used and credited as part or all of the required non-Federal contribution to projects or activities, assisted under a Federal

grant-in-aid program, which are part of an approved comprehensive city demonstration program. Such grant funds, however, shall not be used—

- (1) for the general administration of local governments; or
- (2) to replace non-Federal contributions in any federally aided project or activity included in an approved comprehensive city demonstration program, if prior to the filing of an application for assistance under section 104 an agreement has been entered into with any Federal agency obligating such non-Federal contributions with respect to such project or activity.

TECHNICAL ASSISTANCE

SEC. 106. The Secretary is authorized to undertake such activities as he determines to be desirable to provide, either directly or by contracts or other arrangements, technical assistance to city demonstration agencies to assist such agencies in planning, developing, and administering comprehensive city demonstration programs.

RELOCATION REQUIREMENTS AND PAYMENTS

SEC. 107. (a) A comprehensive city demonstration program shall include a plan for the relocation of individuals, families, business concerns, and nonprofit organizations displaced or to be displaced in the carrying out of such program. The relocation plan shall be consistent with regulations prescribed by the Secretary to assure that (1) the provisions and procedures included in the plan meet relocation standards equivalent to those prescribed under section 105(c) of the Housing Act of 1949 with respect to urban renewal projects assisted under title I of that Act, and (2) relocation activities are coordinated to the maximum extent feasible with the increase in the supply of decent, safe, and sanitary housing for families and individuals of low or moderate income, as provided under the comprehensive city demonstration program, or otherwise, in order to best maintain the available supply of housing for all such families and individuals throughout the city.

(b) (1) To the extent not otherwise authorized under any Federal law, financial assistance extended to a city demonstration agency under section 105 shall include grants to cover the full cost of relocation payments, as herein defined. Such grants shall be in addition to other financial assistance extended to such agency under section 105. Repealed.¹

(2) The term "relocation payments" means payments by a city demonstration agency to a displaced individual, family, business concern, or nonprofit organization which are made on such terms and conditions and subject to such limitations (to the extent applicable, but not including the date of displacement) as are provided for relocation payments, at the time such payments are approved, by section 114 (b), (c), (d), and (e) of the Housing Act of 1949 with respect to projects assisted under title I thereof. Repealed.¹

¹ Secs. 107 (b) and (c) repealed by sec. 220(a)(9) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1903. However, this repeal is not immediately effective in all States. See Sec. 221 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

(c) Subsection (b) shall not be applicable with respect to any displacement occurring prior to the date of the enactment of this Act. Repealed.¹

CONTINUED AVAILABILITY OF FEDERAL GRANT-IN-AID PROGRAM FUNDS

SEC. 108. Notwithstanding any other provision of law, unless hereafter enacted expressly in limitation of the provisions of this section, funds appropriated for a Federal grant-in-aid program which are reserved for any projects or activities assisted under such grant-in-aid program and undertaken in connection with an approved comprehensive city demonstration program shall remain available until expended.

CONSULTATION

SEC. 109. In carrying out the provisions of this title, including the issuance of regulations, the Secretary shall consult with other Federal departments and agencies administering Federal grant-in-aid programs. The Secretary shall consult with each Federal department and agency affected by each comprehensive city demonstration program before entering into a commitment to make grants for such program under section 105.

LABOR STANDARDS

SEC. 110. (a) All laborers and mechanics employed by contractors or subcontractors in the construction, rehabilitation, alteration, or repair of projects which—

(1) are federally assisted in whole or in part under this title and

(2) are not otherwise subject to section 212 of the National Housing Act, section 16(2) of the United States Housing Act of 1937, section 109 of the Housing Act of 1949, or any other provision of Federal law imposing labor standards on federally assisted construction,

shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5): *Provided*, That this section shall apply to the construction, rehabilitation, alteration, or repair of residential property only if such residential property is designed for residential use for eight or more families. No financial assistance shall be extended to any such projects unless adequate assurance is first obtained that these labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c), and the Contract Work Hours Standards Act (76 Stat. 357).

¹ See footnote 1 on previous page.

APPROPRIATIONS ¹

SEC. 111. (a) There are authorized to be appropriated, for the purpose of financial assistance ² under sections 104 and 106, not to exceed \$12,000,000 for the fiscal year ending June 30, 1967, not to exceed \$12,000,000 for the fiscal year ending June 30, 1968, and not to exceed \$12,000,000 ³ for the fiscal year ending June 30, 1969.

(b) There are authorized to be appropriated, for the purpose of financial assistance ² under sections 105, 106, and 107, not to exceed \$400,000,000 for the fiscal year ending June 30, 1968, not to exceed \$500,000,000 for the fiscal year ending June 30, 1969, not to exceed \$1,000,000,000 ⁴ for the fiscal year ending June 30, 1970, not to exceed \$600,000,000 ⁵ for the fiscal year ending June 30, 1971, and not to exceed \$200,000,000 ⁶ for the fiscal year ending June 30, 1972. In ⁷ addition, there are authorized to be appropriated for such purpose such sums as may be necessary for the fiscal year ending June 30, 1975. Under regulations prescribed by the Secretary, 10 per centum of the amounts appropriated pursuant to this subsection for the fiscal year ending June 30, 1970, and for any fiscal year thereafter shall be used for assistance to city demonstration agencies in cities or counties having a population

¹ The Supplemental Appropriation Act, 1967, Public Law 89-697, approved October 27, 1966, 80 Stat. 1057, 1058, appropriated \$11,000,000 for financial assistance to planning and developing comprehensive city demonstration programs, and \$750,000 for administrative expenses. The appropriations remain available until June 30, 1968.

The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968, Public Law 90-121, approved November 3, 1967, 81 Stat. 341, 355, appropriated for the fiscal year 1968, to remain available until June 30, 1969, \$12 million for financial assistance to planning and developing comprehensive city demonstration programs, and \$200 million for supplemental grants for the programs. The act also appropriated \$100 million for urban renewal projects within approved city demonstration programs, but did not make these funds available until June 30, 1969.

The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1969, Public Law 90-550, approved Oct. 4, 1968, 82 Stat. 937, appropriated for the fiscal year 1969, \$312.5 million for planning and carrying out model cities programs, and \$312.5 million for urban renewal projects within approved model cities programs, and provided that the appropriations for other than urban renewal programs should remain available until June 30, 1970.

The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1970, Public Law 91-126, approved November 26, 1969, 83 Stat. 221, 237, appropriated for fiscal year 1970, to remain available until June 30, 1971, \$575 million for financial assistance and administrative expenses in carrying out comprehensive city demonstration programs as authorized by title I of the Demonstration Cities and Metropolitan Development Act of 1966.

The Independent Offices and Department of Housing and Urban Development Appropriation Act, 1971, Public Law 91-556, approved December 17, 1970, 84 Stat. 1442, 1458, appropriated for fiscal year 1971, to remain available until June 30, 1972, \$575 million for financial assistance and administrative expenses in carrying out comprehensive city demonstration programs as authorized by title I of the Demonstration Cities and Metropolitan Development Act of 1966.

² Sec. 301(c), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, deleted at this point the words "and administrative expenses".

³ Sec. 1701(a), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 602, added the authorization of \$12 million for the fiscal year 1969.

⁴ Sec. 1701(b), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 602, added the authorization of \$1 billion for the fiscal year ending June 30, 1970.

⁵ Sec. 301(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 391 added the authorization of \$600 million for the fiscal year ending June 30, 1971.

⁶ Sec. 301(a), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, added the authorization of \$200 million for the fiscal year ending June 30, 1972. The sentence that immediately follows was added by sec. 301(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 391.

⁷ Sec. 116(d)(1) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, added this sentence.

(according to the most recent decennial census) of less than 100,000, and may be so used (to the extent specifically provided in such regulations) without regard to the limitation set forth in the first sentence of section 105(c).

(c)¹ Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1975.

DEFINITIONS

SEC. 112. As used in this title—

(1) "Federal grant-in-aid program" means a program of Federal financial assistance other than loans and other than the assistance provided by this title.

(2) "City demonstration agency" means the city, the county, or any local public agency established or designated by the local governing body of such city or county to administer the comprehensive city demonstration program.

(3) "City" means any municipality (or two or more municipalities acting jointly) or any county or other public body (or two or more acting jointly) having general governmental powers.

(4) "Local" agencies include State agencies and instrumentalities providing services or resources to a city or locality, and "local" resources include those provided to a city or locality by a State or its agency or instrumentality.

* * * * *

STATE LIMIT

SEC. 114. Grants made under section 105 for projects in any one State shall not exceed in the aggregate 15 per centum of the aggregate amount of funds authorized to be appropriated under section 111.

* * * * *

Approved November 3, 1966.

¹ Sec. 1701(c), Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 602, amended subsection (c) to read as set forth in the text, except that sec. 301(c), Housing and Urban Development Act of 1969, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, substituted "July 1, 1971" for "July 1970", and sec. 301(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1780, substituted "July 1, 1972" for "July 1, 1971". Prior to the amendment by sec. 1701(c), Housing and Urban Development Act of 1968, supra, subsection (c) provided that appropriations should remain available until expended. Sec. 2 of Public Law 92-335, approved July 1, 1972, 86 Stat. 405, substituted "September 30, 1972" for "July 1, 1972". Sec. 6 of Public Law 93-117, 87 Stat. 421, approved October 2, 1973, substituted "July 1, 1974" for "September 30, 1972". Sec. 116(d)(2) of Housing and Community Development Act of 1974 Public Law 93-383, 88 Stat. 633, approved August 22, 1974, substituted "July 1, 1975" for "July 1, 1974".

OPEN SPACE LAND AND URBAN BEAUTIFICATION

EXCERPTS FROM HOUSING AND URBAN DEVELOPMENT ACT OF 1970

[Public Law 91-609, 84 Stat. 1781; 42 U.S.C. 1500]

TITLE IV—CONSOLIDATION OF OPEN-SPACE LAND PROGRAMS¹

SEC. 401. Effective July 1, 1971, title VII of the Housing Act of 1961 is amended to read as follows:

TITLE VII—OPEN-SPACE LAND

FINDINGS AND PURPOSE

SEC. 701. (a) The Congress finds that the rapid expansion of the Nation's urban areas and the rapid growth of population within such areas has resulted in severe problems of urban and suburban living for the preponderant majority of the Nation's present and future population, including the lack of valuable open-space land for recreational and other purposes.

(b) The Congress further finds that there is a need for the additional provision of parks and other open space in the built-up portions of urban areas especially in low income neighborhoods and communities and a need for greater and better coordinated State and local efforts to make available and improve open-space land throughout entire urban areas.

(c) The Congress further finds that there is a need for timely action to preserve and restore areas, sites, and structures of historic or architectural value in order that these remaining evidences of our history and heritage shall not be lost or destroyed through the expansion and development of the Nation's urban areas.

(d) It is the purpose of this title to help curb urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, to assist in preserving areas and properties of historic or architectural value, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local public bodies in taking prompt action to (1) provide, preserve, and develop open-space land in a manner consistent with the planned long-range development of the Nation's urban areas, (2) acquire, improve, and restore areas, sites, and structures of historic or architectural value, and (3) develop and improve open space

¹ Title IV of the Housing and Urban Development Act of 1970 rewrites title VII of the Housing Act of 1961 to consolidate the various separate programs under that title (open-space, urban beautification, and grants for historic preservation) into a simple program of grants to (1) acquire open-space land and (2) develop open-space land (including historic preservation).

and other public urban land, in accordance with programs to encourage and coordinate local public and private efforts toward this end.

GRANTS FOR ACQUISITION AND FOR DEVELOPMENT OF OPEN-SPACE LAND

SEC. 702. (a) The Secretary is authorized to make grants to States and local public bodies to help finance (1) the acquisition of title to, or other interest in, open-space land in urban areas and (2) the development of open-space or other land in urban areas for open-space uses. The amount of any such grant shall not exceed 50 per centum of the eligible project cost, as approved by the Secretary, of such acquisition or development. Not more than 50 per centum of the non-Federal share of such eligible project cost may, to the extent authorized in regulations established by the Secretary, be made up by donations of land or materials.

(b) No grants under this title shall be made to (1) defray ordinary State or local governmental expenses, (2) help finance the acquisition by a public body of land located outside the urban area for which it exercises (or participates in the exercise of) responsibilities consistent with the purpose of this title, (3) acquire and clear developed land in built-up urban areas unless the local governing body determines that adequate open-space land cannot be effectively provided through the use of existing undeveloped land, or (4) provide assistance for historic and architectural preservation purposes, except for districts, sites, buildings, structures, and objects which the Secretary of the Interior determines meet the criteria used in establishing the National Register.

(c) The Secretary may set such further terms and conditions for assistance under this title as he determines to be desirable.

(d) The Secretary shall consult with the Secretary of the Interior on the general policies to be followed in reviewing applications for grants under this title. To assist the Secretary in such review, the Secretary of the Interior shall furnish him (1) appropriate information on the status of national and statewide recreation and historic preservation planning as it affects the areas to be assisted with such grants, and (2) the current listing of any districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, and culture which may be contained on a National Register maintained by the Secretary of the Interior pursuant to other provisions of law. The Secretary shall provide current information to the Secretary of the Interior from time to time on significant program developments.

(e) The Secretary may provide such technical assistance to States and local public bodies as may be required to effectively carry out activities under this section.

PLANNING REQUIREMENTS

SEC. 703. The Secretary shall make grants under section 702 only if he finds that such assistance is needed for carrying out a unified or officially coordinated program, meeting criteria established by him, for the provision and development of open-space land which is a part of, or is consistent with, the comprehensively planned development of the urban area.

CONVERSIONS TO OTHER USES

SEC. 704. No open-space land for the acquisition of which a grant has been made under section 702 shall be converted to uses not originally approved by the Secretary without his prior approval. Prior approval will be granted only upon satisfactory compliance with regulations established by the Secretary. Such regulations shall require findings that (1) there is adequate assurance of the substitution of other open-space land of as nearly as feasible equivalent usefulness, location, and fair market value at the time of the conversion; (2) the conversion and substitution are needed for orderly growth and development; and (3) the proposed uses of the converted and substituted land are in accord with the then applicable comprehensive plan for the urban area, meeting criteria established by the Secretary.

CONVERSIONS OF LAND INVOLVING HISTORIC OR ARCHITECTURAL PURPOSES

SEC. 705. No open-space land involving historic or architectural purposes for which assistance has been granted under this title shall be converted to use for any other purpose without the prior approval of the Secretary of the Interior.

ACQUISITION OF INTERESTS TO GUIDE URBAN DEVELOPMENT

SEC. 706. In order to encourage the acquisition of interests in undeveloped or predominantly undeveloped land which, if withheld from commercial, industrial, and residential development, would have special significance in helping to shape economic and desirable patterns of urban growth (including growth outside of existing urban areas which is directly related to the development of new communities or the expansion and revitalization of existing communities), the Secretary may make grants to State and local public bodies for the acquisition of such interests in an amount not to exceed 75 per centum of the cost of such acquisition. In the case of any interests acquired pursuant to this section, the Secretary may approve the subsequent conversion or disposition of the land involved without regard to other requirements of this title but subject to such terms and conditions as he determines equitable and appropriate with respect to the control of future use and the application or sharing of the proceeds or value realized upon sale or disposition.

LABOR STANDARDS

SEC. 707. (a) The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of grants under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Secretary shall not approve any such grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64

Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

AUTHORIZATION

SEC. 708. There are authorized to be appropriated for purposes of making grants under this title not to exceed \$660,000,000¹ prior to September 30, 1972, plus not to exceed \$63,000,000 for the fiscal year beginning July 1, 1973.² Any amounts appropriated under this section shall remain available until expended.

DEFINITIONS

SEC. 709. As used in this title—

(1) The term "open-space land" means any land located in an urban area which has value for (A) park and recreational purposes, (B) conservation of land and other natural resources, or (C) historic, architectural, or scenic purposes.

(2) The term "urban area" means any area which is urban in character, including those surrounding areas which, in the judgment of the Secretary, form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities.

(3) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States.

(4) The term "local public body" means any public body (including a political subdivision) created by or under the laws of a State or two or more States, or a combination of such bodies, and includes Indian tribes, bands, groups, and nations (including Alaska Indians, Aleuts, and Eskimos) of the United States.

(5) The term "open-space uses" means any use of open-space land for (A) park and recreational purposes, (B) conservation of land and other natural resources, or (C) historic, architectural or scenic purposes.

Approved December 31, 1970.

OPEN SPACE LAND AND URBAN BEAUTIFICATION

Executive Order 11237

[30 Fed. Reg. 9433]

PREScribing REGULATIONS FOR COORDINATING PLANNING AND THE ACQUISITION OF LAND UNDER THE OUTDOOR RECREATION PROGRAM OF THE DEPARTMENT OF THE INTERIOR AND THE OPEN SPACE PROGRAM OF THE HOUSING AND HOME FINANCE AGENCY

Whereas the Housing and Home Finance Administrator, hereinafter referred to as "the Administrator," is authorized under title

¹ Sec. 8(b) of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, 776, substituted "\$660,000,000" for "\$560,000,000".

² Sec. 5 of Public Law 92-335, approved July 1, 1972, 86 Stat. 405, substituted "September 30, 1972" for "July 1, 1972". Sec. 7 of Public Law 93-117, 87 Stat. 421, increased the authorization by \$63 million for fiscal year beginning July 1, 1973.

VII of the Housing Act of 1961 (42 U.S.C. 1500-1500e), hereinafter referred to as "title VII," to conduct a program for making grants to States and local public bodies for acquiring lands for recreational and other purposes; and

Whereas title VII provides for consultation by the Administrator with the Secretary of the Interior, hereinafter referred to as "the Secretary," with regard to general policies to be followed in reviewing applications for grants for land acquisitions under the program provided for in title VII, hereinafter referred to as the "open space program," and provides for the furnishing of information by the Secretary on the status of recreational planning for areas to be served by the open space land acquired with grants made by the Administrator; and

Whereas the Secretary is authorized under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4607-4-4607-11), hereinafter referred to as "the Conservation Act," to provide financial assistance to States for planning for outdoor recreation purposes and acquiring and developing lands therefor under a program hereinafter referred to as the "outdoor recreation program"; and

Whereas the Secretary has been given certain responsibilities under the Act of May 28, 1963 (16 U.S.C. 4607-4607-3) and Executive Order No. 11017, for promoting the coordination of Federal plans and activities generally relating to outdoor recreation; and

Whereas the programs authorized by title VII and the Conservation Act can be of special help in creating areas of recreation and beauty for the citizens of our urban areas; and

Whereas priority is being given to the needs of our growing urban population by the Secretary in the administration of programs under the Conservation Act; and

Whereas the primary purpose of the open space program is to help acquire and preserve open space land which is essential to the proper long-range development and welfare of the Nation's urban areas, in accordance with plans for the allocation of such land for open space purposes; and

Whereas, to assure the most economic and efficient utilization of title VII and the Conservation Act and funds provided in connection therewith, it is necessary to provide standards for the guidance of the Administrator and the Secretary in the administration of these programs as they relate to the acquisition of land for recreational purposes:

Now, therefore, by virtue of the authority vested in me by section 5(g) of the Conservation Act (16 U.S.C. 4607-8(g)), and as President of the United States, it is hereby ordered as follows:

SECTION 1. *Urbanized areas.* As used in this order, "urbanized area" means an area which is an urbanized area according to the most recent decennial census together with such additional adjacent areas as the Secretary and the Administrator jointly determine to be appropriate for the accomplishment of the purposes of title VII and the Conservation Act in a manner consistent with comprehensive planning for orderly metropolitan development.

SEC. 2. *Areas of program concern.* In the acquisition of land for recreation resources the respective responsibilities of the Administrator and the Secretary shall be as follows:

(1) *Open space program.* With respect to the provision of open space land for recreational purposes, the Administrator, through the

open space program, shall have responsibility primarily for assisting in the acquisition of lands or interests therein of utility primarily to the urbanized area in which they are located, such as squares, malls, and playgrounds, and parks, recreation areas, historic sites, and open spaces for scenic purposes.

(2) *Land and water conservation fund program.* In addition to responsibilities with respect to outdoor recreation resources of statewide and nationwide utility, the Secretary, through the Conservation Act program, shall have responsibility primarily for assisting in the acquisition of lands for larger regional parks, historic sites, and recreational and scenic areas to serve residents of urban and other local areas.

SEC. 3. *Land and water conservation fund grants in urbanized areas and other urban places.* Grants made by the Secretary for the acquisition of land in urbanized areas and other urban places for outdoor recreation under the Conservation Act shall be for projects which:

(1) are consistent with the comprehensive statewide outdoor recreation plan for the State or States in which the project is to be located: *Provided*, That the portions of such plan relating to urbanized areas shall have been reviewed by the Administrator as to their consistency with comprehensive planning for such areas;

(2) when located in whole or in part in urbanized areas, meet the same requirements with respect to planning and programming as shall have been prescribed by the Administrator with respect to projects under title VII; and

(3) when located in urban places according to the most recent decennial census (other than those included in urbanized areas), reflect consideration of comprehensive urban planning being carried on for such urban places.

SEC. 4. *Open space grants outside of urbanized areas.* Grants made by the Administrator for acquisition of land or interests therein for recreational purposes under title VII in areas outside of urbanized areas shall be for projects which:

(1) are consistent with planning and programming required under Title VII: *Provided*, That relevant aspects of such planning and programming shall have been reviewed by the Secretary as to their consistency, insofar as they are related to the achievement of recreational objectives, with the comprehensive statewide outdoor recreation plan; and

(2) meet the same requirements with respect to planning and programming as shall have been prescribed by the Secretary with respect to projects under the Conservation Act.

SEC. 5. *Review.* (a) The Administrator, in reviewing plans under Section 3 of this Order, shall transmit his comments to the Secretary within thirty days, or such other period as may be agreed upon, after receipt of such plans. The Secretary shall take such comments into consideration before approving such plans and programs. If the Secretary disagrees with a recommendation of the Administrator, he shall so notify the Administrator and provide him, in writing, with his reasons therefor.

(b) The Secretary, in reviewing plans and programs under Section 4 of this Order, shall transmit his comments to the Administrator within thirty days, or such other period as may be agreed upon, after

receipt of such plans and programs. The Administrator shall take such comments into consideration before approving grants for acquisition. If the Administrator disagrees with a recommendation of the the Secretary, he shall so notify the Secretary and provide him, in writing, with his reasons therefor.

SEC. 6. *Coordinated procedures.* (a) The Secretary and the Administrator shall jointly develop procedures consistent with the purposes and requirements of the Conservation Act and Title VII, to carry out the provisions of this Order, including procedures for:

(1) evaluating applications for assistance in acquiring land for predominantly recreational purposes under outdoor recreation and open space programs;

(2) consultation and exchange of information concerning applications for, and grants of, assistance for acquisition of land for predominantly recreational purposes in urbanized areas under the outdoor recreation program and outside of urbanized areas under the open space program; and

(3) joint and mutual determinations for making grants of assistance under either the outdoor recreation program or the open space program in cases in which unusual circumstances would make departures from the preceding provisions of this Order desirable for reasons of economy, efficiency, or equity.

(b) Whenever the Secretary and the Administrator make a joint determination pursuant to paragraph (a) (3) of this Section, assistance may be provided in accordance with such determination.

LYNDON B. JOHNSON.

THE WHITE HOUSE, July 27, 1965.

HISTORIC PRESERVATION

Restoration—Grants

EXCERPTS FROM DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966

[Public Law 89-754, 80 Stat. 1255, 1278; 16 U.S.C. 470b-1]

GRANTS TO NATIONAL TRUST FOR HISTORIC PRESERVATION TO COVER RESTORATION COSTS

SEC. 603. (a) The Secretary of Housing and Urban Development is authorized to make grants to the National Trust for Historic Preservation, on such terms and conditions and in such amounts (not exceeding \$90,000 with respect to any one structure) as he deems appropriate, to cover the costs incurred by such Trust in renovating or restoring structures which it considers to be of historic or architectural value and which it has accepted and will maintain (after such renovation or restoration) for historic purposes.

(b) There are authorized to be appropriated such sums as may be necessary for the grants to be made under subsection (a).

* * * * *

Approved November 3, 1966.

ASSISTANCE BY SECRETARY OF THE INTERIOR—ADVISORY COUNCIL ON HISTORIC PRESERVATION

[Public Law 89-665, 80 Stat. 915; 16 U.S.C. 470]

AN ACT To establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

The Congress finds and declares—

(a) that the spirit and direction of the Nation are founded upon and reflected in its historic past;

(b) that the historical and cultural foundations of the Nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people;

(c) that, in the face of ever-increasing extensions of urban centers, highways, and residential, commercial, and industrial developments, the present governmental and nongovernmental historic preservation programs and activities are inadequate to insure future generations a genuine opportunity to appreciate and enjoy the rich heritage of our Nation; and

(d) that, although the major burdens of historic preservation have been borne and major efforts initiated by private agencies and individuals, and both should continue to play a vital role, it is nevertheless necessary and appropriate for the Federal Government to accelerate its historic preservation programs and activities, to give maximum encouragement to agencies and individuals undertaking preservation by private means, and to assist State and local governments and the National Trust for Historic Preservation in the United States to expand and accelerate their historic preservation programs and activities.

TITLE I

SEC. 101. (a) The Secretary of the Interior is authorized—

(1) to expand and maintain a national register of districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, and culture, hereinafter referred to as the National Register, and to grant funds to States for the purpose of preparing comprehensive statewide historic surveys and plans, in accordance with criteria established by the Secretary, for the preservation, acquisition, and development of such properties;

(2) to establish a program of matching grants-in-aid to States for projects having as their purpose the preservation for public benefit of properties that are significant in American history, architecture, archeology, and culture; and

(3) to establish a program of matching grant-in-aid to the National Trust for Historic Preservation in the United States, chartered by act of Congress approved October 26, 1949 (63 Stat. 927), as amended, for the purpose of carrying out the responsibilities of the National Trust.

(b) As used in this Act—

(1) The term "State" includes, in addition to the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(2) The term "project" means programs of State and local governments and other public bodies and private organizations and individuals for the acquisition of title or interests in, and for the development of, any district, site, building, structure, or object that is significant in American history, architecture, archeology, and culture, or property used in connection therewith, and for its development in order to assure the preservation for public benefit of any such historical properties.

(3) The term "historic preservation" includes the protection, rehabilitation, restoration, and reconstruction of districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, or culture.

(4) The term "Secretary" means the Secretary of the Interior.

SEC. 102.¹ (a) No grant may be made under this Act—

(1) unless application therefor is submitted to the Secretary in accordance with regulations and procedures prescribed by him;

¹ Sec. 201(1) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, amended sec. 102 to read as set forth in the text.

(2) unless the application is in accordance with the comprehensive statewide historic preservation plan which has been approved by the Secretary after considering its relationship to the comprehensive statewide outdoor recreation plan prepared pursuant to the Land and Water Conservation Fund Act of 1965 (78 Stat. 897);

(3) for more than 50 per centum of the total cost involved, as determined by the Secretary and his determination shall be final;

(4) unless the grantee has agreed to make such reports, in such form and containing such information as the Secretary may from time to time require;

(5) unless the grantee has agreed to assume, after completion of the project, the total cost of the continued maintenance, repair, and administration of the property in a manner satisfactory to the Secretary; and

(6) until the grantee has complied with such further terms and conditions as the Secretary may deem necessary or advisable.

(b) The Secretary may in his discretion waive the requirements of subsection (a), paragraphs (2) and (5) of this section for any grant under this Act to the National Trust for Historic Preservation in the United States, in which case a grant to the National Trust may include funds for the maintenance, repair, and administration of the property in a manner satisfactory to the Secretary.

(c) The Secretary may in his discretion waive the requirements of paragraph (3) of subsection (a) of this section for the purposes of making grants for the preparation of statewide historic preservation plans and surveys and project plans. Any grant made pursuant to this subsection may not exceed 70 per centum of the cost of a project, and the total of such grants made pursuant to this subsection in any one fiscal year may not exceed one-half of the funds appropriated for that fiscal year pursuant to section 108 of this Act.

(d) No State shall be permitted to utilize the value of real property obtained before the date of approval of this Act in meeting the remaining cost of a project for which a grant is made under this Act.

SEC. 103. (a) The amounts appropriated and made available for grants to the States for comprehensive statewide historic surveys and plans under this Act shall be apportioned among the States by the Secretary on the basis of needs as determined by him.¹

(b) The amounts appropriated and made available for grants to the States for projects under this Act for each fiscal year shall be apportioned among the States by the Secretary in accordance with needs as disclosed in approved statewide historic preservation plans.

The Secretary shall notify each State of its apportionment, and the amounts thereof shall be available thereafter for payment to such State for projects in accordance with the provisions of this Act. Any amount of any apportionment that has not been paid or obligated by the Secretary during the fiscal year in which such notification is given, and for two fiscal years thereafter, shall be reapportioned by the Secretary in accordance with this subsection.

¹ Sec. 201(2) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, deleted the proviso in section 103(a). Prior to this amendment the proviso read as follows: "Provided, however, That the amount granted to any one State shall not exceed 50 per centum of the total cost of the comprehensive statewide historic survey and plan for that State, as determined by the Secretary."

SEC. 104. (a) No grant may be made by the Secretary for or on account of any survey or project under this Act with respect to which financial assistance has been given or promised under any other Federal program or activity, and no financial assistance may be given under any other Federal program or activity for or on account of any survey or project with respect to which assistance has been given or promised under this Act.

(b) In order to assure consistency in policies and actions under this Act with other related Federal programs and activities, and to assure coordination of the planning acquisition, and development assistance to States under this Act with other related Federal programs and activities, the President may issue such regulations with respect thereto as he deems desirable, and such assistance may be provided only in accordance with such regulations.

SEC. 105. The beneficiary of assistance under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the disposition by the beneficiary of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

SEC. 106. The head of any Federal agency having direct or indirect jurisdiction over a proposed Federal or federally assisted undertaking in any State and the head of any Federal department or independent agency having authority to license any undertaking shall, prior to the approval of the expenditure of any Federal funds on the undertaking or prior to the issuance of any license, as the case may be, take into account the effect of the undertaking on any district, site, building, structure, or object that is included in or eligible for inclusion in¹ the National Register. The head of any such Federal agency shall afford the Advisory Council on Historic Preservation established under title II of this Act a reasonable opportunity to comment with regard to such undertaking.

SEC. 107. Nothing in this Act shall be construed to be applicable to the White House and its grounds, the Supreme Court building and its grounds, or the United States Capitol and its related buildings and grounds.

SEC. 108.² To carry out the provisions of this Act, there is hereby established the Historic Preservation Fund (hereafter referred to as the "fund") in the Treasury of the United States.

There shall be covered into such fund \$24,400,000 for fiscal year 1977, \$100,000,000 for fiscal year 1978, \$100,000,000 for fiscal year 1979, \$150,000,000 for fiscal year 1980, and \$150,000,000 for fiscal year 1981, from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462, 469), as amended (43 U.S.C. 338), and/or under the Act of June 4, 1920 (41 Stat. 813), as amended (30 U.S.C. 191), notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Such moneys shall be used only to carry out the purposes of

¹ Sec. 201(3) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, added the words "or eligible for inclusion in" immediately following "included in".

² Sec. 201(4) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, amended section 108 to read as set forth in the text.

this Act and shall be available for expenditure only when appropriated by the Congress. Any moneys not appropriated shall remain available in the fund until appropriated for said purposes: *Provided*, That appropriations made pursuant to this paragraph may be made without fiscal year limitation.

TITLE II

SEC. 201.¹ (a) There is established as an independent agency of the United States Government an Advisory Council on Historic Preservation (hereinafter referred to as the "Council") which shall be composed of twenty-nine members as follows:

- (1) The Secretary of the Interior;
- (2) The Secretary of Housing and Urban Development;
- (3) The Secretary of Commerce;
- (4) The Administrator of the General Services Administration;
- (5) The Secretary of the Treasury;
- (6) The Attorney General;
- (7) The Secretary of Agriculture;
- (8) The Secretary of Transportation;
- (9) The Secretary of State;
- (10) The Secretary of Defense;
- (11) The Secretary of Health, Education, and Welfare;
- (12) The Chairman of the Council on Environmental Quality;
- (13) The Chairman of the Federal Council on the Arts and Humanities;
- (14) The Architect of the Capitol;
- (15) The Secretary of the Smithsonian Institution;
- (16) The Chairman of the National Trust for Historic Preservation;
- (17) The President of the National Conference of State Historic Preservation Officers; and
- (18) Twelve appointed by the President from outside the Federal Government. In making these appointments, the President shall give due consideration to the selection of officers of State and local governments and individuals who are significantly interested and experienced in the matters to be considered by the Council.

(b) Each member of the Council specified in paragraphs (1) through (17) of subsection (a) may designate another officer of his department, agency, or organization to serve on the Council in his stead.

(c) Each member of the Council appointed under paragraph (18) of subsection (a) shall serve for a term of five years from the expiration of his predecessor's term; except that the members first appointed under that paragraph shall serve for terms of from one to five years, as designated by the President at the time of appointment, in such manner as to insure that the terms of not less than one nor more than two of them will expire in any one year.

(d) A vacancy in the Council shall not affect its powers, but shall be filled in the same manner as the original appointment (and for the balance of the unexpired term).

¹ Sec. 201(5) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, amended section 201(a) to read as set forth in the text.

(e) The Chairman and the Vice Chairman of the Council shall be designated by the President. During the absence or disability of the Chairman or when the office is vacant, the Vice Chairman shall act in the place of the Chairman.

(f) Fifteen members of the Council shall constitute a quorum.

SEC. 202. (a) The Council shall—

(1) advise the President and the Congress on matters relating to historic preservation; recommend measures to coordinate activities of Federal, State, and local agencies and private institutions and individuals relating to historic preservation; and advise on the dissemination of information pertaining to such activities;

(2) encourage, in cooperation with the National Trust for Historic Preservation and appropriate private agencies, public interest and participation in historic preservation;

(3) recommend the conduct of studies in such areas as the adequacy of legislative and administrative statutes and regulations pertaining to historic preservation activities of State and local governments and the effects of tax policies at all levels of government on historic preservation;

(4) advise as to guidelines for the assistance of State and local governments in drafting legislation relating to historic preservation; and

(5) encourage, in cooperation with appropriate public and private agencies and institutions, training and education in the field of historic preservation.

(b) The Council shall submit annually a comprehensive report of its activities and the results of its studies to the President and the Congress and shall from time to time submit such additional and special reports as it deems advisable. Each report shall propose such legislative enactments and other actions as, in the judgment of the Council, are necessary and appropriate to carry out its recommendations.

SEC. 203. The Council is authorized to secure directly from any department, bureau, agency, board, commission, office, independent establishment or instrumentality of the executive branch of the Federal Government information, suggestions, estimates, and statistics for the purpose of this title; and each such department, bureau, agency, board, commission, office, independent establishment or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics to the extent permitted by law and within available funds.

SEC. 204. The members of the Council specified in paragraphs (1) through (17)¹ of section 201 (a) shall serve without additional compensation. The members of the Council appointed under paragraph (18)¹ of section 201 (a) shall receive \$100 per diem when engaged in the performance of the duties of the Council. All members of the Council shall receive reimbursement for necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Council.

¹ Sec. 201(6) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, deleted "(10)" in the first sentence and inserted "(17)" and deleted "(17)" in the second sentence and inserted "(18)".

SEC. 205.¹ (a) There shall be an Executive Director of the Council who shall be appointed in the competitive service by the Chairman with the concurrence of the Council. The Executive Director shall report directly to the Council and perform such functions and duties as the Council may prescribe.

(b) The Council shall have a General Counsel, who shall be appointed by the Executive Director. The General Counsel shall report directly to the Executive Director and serve as the Council's legal advisor. The Executive Director shall appoint such other attorneys as may be necessary to assist the General Counsel, represent the Council in courts of law whenever appropriate, assist the Department of Justice in handling litigation concerning the Council in courts of law, and perform such other legal duties and functions as the Executive Director and the Council may direct.

(c) The Executive Director of the Council may appoint and fix the compensation of such officers and employees in the competitive service as are necessary to perform the functions of the Council at rates not to exceed that now or hereafter prescribed for the highest rate for grade 15 of the General Schedule under section 5332 of title 5, United States Code: *Provided, however,* That the Executive Director, with the concurrence of the Chairman, may appoint and fix the compensation of not to exceed five employees in the competitive service at rates not to exceed that now or hereafter prescribed for the highest rate of grade 17 of the General Schedule under section 5332 of title 5, United States Code.

(d) The Executive Director shall have power to appoint and fix the compensation of such additional personnel as may be necessary to carry out its duties, without regard to the provisions of the civil service laws and the Classification Act of 1949.

(e) The Executive Director of the Council is authorized to procure expert and consultant services in accordance with the provisions of section 3109 of title 5, United States Code.

(f) Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel and procurement) shall be provided the Council by the Department of the Interior, for which payments shall be made in advance, or by reimbursement, from funds of the Council in such amounts as may be agreed upon by the Chairman of the Council and the Secretary of the Interior: *Provided,* That the regulations of the Department of the Interior for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46e) shall apply to the collection of erroneous payments made to or on behalf of a Council employee, and regulations of said Secretary for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Council: *And provided further,* That the Council shall not be required to prescribe such regulations.

(g) The members of the Council specified in paragraphs (1) through (16) of section 201(a) shall provide the Council, with or without reimbursement as may be agreed upon by the Chairman and the members, with such funds, personnel, facilities, and services under

¹ Sec. 201(7) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, amended section 205 to read as set forth in the text.

their jurisdiction and control as may be needed by the Council to carry out its duties, to the extent that such funds, personnel, facilities, and services are requested by the Council and are otherwise available for that purpose. To the extent of available appropriations, the Council may obtain, by purchase, rental, donation, or otherwise, such additional property, facilities, and services as may be needed to carry out its duties.

SEC. 206.¹ (a) The participation of the United States as a member in the International Centre for the Study of the Preservation and Restoration of Cultural Property is hereby authorized.

(b) The Council shall recommend to the Secretary of State, after consultation with the Smithsonian Institution and other public and private organizations concerned with the technical problems of preservation, the members of the official delegation which will participate in the activities of the Centre on behalf of the United States. The Secretary of State shall appoint the members of the official delegation from the persons recommended to him by the Council.

(c)² For the purposes of this section there are authorized to be appropriated not more than \$175,000 per year for fiscal years 1977, 1978, and 1979: *Provided*, That no appropriation is authorized and no payment shall be made to the Centre in excess of 25 per centum of the total annual assessment of such organization.

SEC. 207.³ So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, held, used, programmed, or available or to be made available by the Department of the Interior in connection with the functions of the Council, as the Director of the Office of Management and Budget shall determine, shall be transferred from the Department to the Council within 60 days of the effective date of this Act.

SEC. 208. Any employee in the competitive service of the United States transferred to the Council under the provisions of this section shall retain all the rights, benefits, and privileges pertaining thereto held prior to such transfer.

SEC. 209. The Council is exempt from the provisions of the Federal Advisory Committee Act (86 Stat. 770), and the provisions of the Administrative Procedure Act (80 Stat. 381) shall govern the operations of the Council.

SEC. 210. Whenever the Council transmits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit copies thereof to the House Committee on Interior and Insular Affairs and the Senate Committee on Interior and Insular Affairs. No officer or agency of the United States shall have any authority to require the Council to submit its legislative recommendations, or testimony, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress. In instances in which the Council voluntarily seeks to obtain the comments or review of any officer or agency of the United States, the Council shall include a description of such actions in its legislative

¹ Sec. 2 of Public Law 91-243, approved May 9, 1970, 84 Stat. 204, added section 206.

² Sec. 201(8) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, amended section 206(c) to read as set forth in the text.

³ Sec. 201(9) of Public Law 94-422, 90 Stat. 1313, approved September 28, 1976, added sections 207 through 212.

recommendations, testimony, or comments on legislation which it transmits to the Congress.

SEC. 211. The Council is authorized to promulgate such rules and regulations as it deems necessary to govern the implementation of section 106 of this Act.

SEC. 212. (a) The Council shall submit its budget annually as a related agency of the Department of the Interior. To carry out the provisions of this title, there are authorized to be appropriated not more than \$1,500,000 in fiscal year 1977, \$1,750,000 in fiscal year 1978, and \$2,000,000 in fiscal year 1979.

(b) Whenever the Council submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit copies of that estimate or request to the House and Senate Appropriations Committees and the House Committee on Interior and Insular Affairs and the Senate Committee on Interior and Insular Affairs.

Approved October 15, 1966.

HISTORIC AND ARCHEOLOGICAL PRESERVATION

EXCERPTS FROM PUBLIC LAW 93-291

[88 Stat. 174]

AN ACT To amend the Act of June 27, 1960 (74 Stat. 220), relating to the Preservation of historical and archeological data

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Act entitled "An Act to provide for the preservation of historical and archeological data (including relics and specimens) which might otherwise be lost as the result of the construction of a dam", approved June 27, 1960 (74 Stat. 220; 16 U.S.C. 469), is amended as follows:

(3) Add the following new sections:

"SEC. 3. (a) Whenever any Federal agency finds, or is notified, in writing, by an appropriate historical or archeological authority, that its activities in connection with any Federal construction project or federally licensed project, activity, or program may cause irreparable loss or destruction of significant scientific, prehistorical, historical, or archeological data, such agency shall notify the Secretary, in writing and shall provide the Secretary with appropriate information concerning the project, program, or activity. Such agency may request the Secretary to undertake the recovery, protection, and preservation of such data (including preliminary survey, or other investigation as needed, and analysis and publication of the reports resulting from such investigation), or it may, with funds appropriated for such project, program, or activity, undertake such activities. Copies of reports of any investigations made pursuant to this section shall be submitted to the Secretary, who shall make them available to the public for inspection and review.

"(b) Whenever any Federal agency provides financial assistance by loan, grant, or otherwise to any private person, association, or public entity, the Secretary, if he determines that significant scientific, prehistorical, historical, or archeological data might be irrevocably lost or destroyed, may with funds appropriated expressly for this purpose conduct, with the consent of all persons, associations, or public entities having a legal interest in the property involved, a survey of the affected site and undertake the recovery, protection, and preservation of such data (including analysis and publication). The Secretary shall, unless otherwise mutually agreed to in writing, compensate any person, association, or public entity damaged as a result of delays in construction or as a result of the temporary loss of the use of private or any nonfederally owned lands.

"SEC. 4. (a) The Secretary, upon notification, in writing, by any Federal or State agency or appropriate historical or archeological authority that scientific, prehistorical, historical, or archeological data is being or may be irrevocably lost or destroyed by any Federal or federally assisted or licensed project, activity, or program, shall, if he determines that such data is significant and is being or may be irrevocably lost or destroyed and after reasonable notice to the agency responsible for funding or licensing such project, activity, or program, conduct or cause to be conducted a survey and other investigation of the areas which are or may be affected and recover and preserve such data (including analysis and publication) which, in his opinion, are not being, but should be, recovered and preserved in the public interest.

"(b) No survey or recovery work shall be required pursuant to this section which, in the determination of the head of the responsible agency, would impede Federal or federally assisted or licensed projects or activities undertaken in connection with any emergency, including projects or activities undertaken in anticipation of, or as a result of a natural disaster.

"(c) The Secretary shall initiate the survey or recovery effort within sixty days after notification to him pursuant to subsection (a) of this section or within such time as may be agreed upon with the head of the agency, responsible for funding or licensing the project, activity, or program in all other cases.

"(d) The Secretary shall, unless otherwise mutually agreed to in writing, compensate any person, association, or public entity damaged as a result of delays in construction or as a result of the temporary loss of the use of private or nonfederally owned land."

* * * * *

Approved May 24, 1974.

HISTORIC PRESERVATION

PROTECTION AND ENHANCEMENT OF CULTURAL ENVIRONMENT

EXECUTIVE ORDER 11593

[36 Fed. Reg. 8921]

SEC. 2. *Responsibilities of Federal agencies.* Consonant with the provisions of the acts cited in the first paragraph of this order, the heads of Federal agencies shall:

* * * * *

(c) initiate measures to assure that where as a result of Federal action or assistance a property listed on the National Register of Historic Places is to be substantially altered or demolished, timely steps be taken to make or have made records, including measured drawings, photographs and maps, of the property, and that copy of such records then be deposited in the Library of Congress as part of the Historic American Buildings Survey or Historic American Engineering Record for future use and reference. Agencies may call on the Department of the Interior for advice and technical assistance in the completion of the above records.

RICHARD NIXON.

MAY 13, 1971.

LEAD-BASED PAINT POISONING PREVENTION ACT

[Public Law 91-695, 84 Stat. 2078; 42 U.S.C. 4801, as amended by Public Law 93-151, 87 Stat. 565; 42 U.S.C. 4801]

AN ACT To provide Federal financial assistance to help cities and communities to develop and carry out intensive local programs to eliminate the causes of lead-based paint poisoning and local programs to detect and treat incidents of such poisoning, to establish a Federal demonstration and research program to study the extent of the lead-based paint poisoning problem and the methods available for lead-based paint removal, and to prohibit future use of lead-based paint in Federal or federally assisted construction or rehabilitation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Lead-Based Paint Poisoning Prevention Act."

TITLE I—GRANTS FOR THE DETECTION AND TREATMENT OF LEAD-BASED PAINT POISONING

GRANTS FOR LOCAL DETECTION AND TREATMENT OF LEAD-BASED PAINT POISONING

SEC. 101. (a) The Secretary of Health, Education, and Welfare (hereafter referred to in this title as the "Secretary") is authorized to make grants to public agencies of units of general local government in any State and to private nonprofit organizations in any State for the purpose of assisting such units in developing and carrying out local programs to detect and treat incidents of lead-based paint poisoning.

(b) The amount of any such grant shall not exceed 90 per centum of the cost of developing and carrying out a local program, as approved by the Secretary, during a period of three years.

(c) A local program shall include¹—

(1) educational programs intended to communicate the health danger and prevalence of lead-based paint poisoning among children of inner city areas, to parents, educators, and local health officials;

(2) development and carrying out of intensive community testing programs designed to detect incidents of lead-based paint poisoning among community residents, and to insure prompt medical treatment for such afflicted individuals;

(3) development and carrying out of intensive followup programs to insure that identified cases of lead-based paint poisoning are protected against further exposure to lead-based paints in their living environment; and

(4) any other actions which will reduce or eliminate lead-based paint poisoning.

¹ Sec. 204(a)(2)(A) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, deleted the words "should include" and inserted in lieu thereof "shall include".

Follow-up¹ programs described in paragraph (3) shall include programs to eliminate lead-based paint hazards from surfaces in and around residential dwelling units or houses, including programs to provide for such purpose financial assistance to the owners of such units or houses who are financially unable to eliminate such hazards from their units or houses. In administering programs for the elimination of such hazards, priority shall be given to the elimination of such hazards in residential dwelling units or houses in which reside children with diagnosed lead-based paint poisoning.

(d) Each local program shall afford opportunities for employing the residents of communities or neighborhoods affected by lead-based paint poisoning, and for providing appropriate training, education, and any information which may be necessary to inform such residents of opportunities for employment in lead-based paint poisoning elimination programs.

(e) The Secretary is also authorized to make grants to State agencies for the purpose of establishing centralized laboratory facilities for analyzing biological and environmental lead specimens obtained from local lead-based paint poisoning detection programs.

(f) No grant may be made under this section unless the Secretary determines that there is satisfactory assurance that (A) the services to be provided will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) in, services that would otherwise be provided, (B)² Federal funds made available under this section for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program described in this section, and will in no event supplant such State, local, and other non-Federal funds, and (C)³ the services to be provided will be provided under local programs which meet the requirements of subsections (c) and (d) of this section

TITLE II—GRANTS FOR THE ELIMINATION OF LEAD-BASED PAINT POISONING

SEC. 201. The Secretary of Health, Education, and Welfare is authorized to make grants to public agencies of units of general local government in any State and to private nonprofit organizations in any State for the purpose of assisting such units in developing and carrying out programs that identify those areas that present a high risk to the health of residents because of the presence of lead-based paints on interior surfaces, and then to develop and carry out programs to eliminate the hazards of lead-based paint poisoning.

(a) A local program should include:

(1) development and carrying out of comprehensive testing programs to detect the presence of lead-based paints on surfaces of residential housing;

¹ Sec. 204(a)(1) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, amended section 101(c) of the Lead-Based Paint Poisoning Act to read as set forth in the text.

² Sec. 204(a)(2)(B) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, deleted "and (B)" in section 101(f) and inserted in lieu thereof "(B)".

³ Sec. 204(a)(2)(B) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, also amended this section by adding at the end thereof before the period a new clause "(C)".

(2) the development and carrying out of procedures to remove from exposure to young children all interior surfaces of residential housing, porches, and exterior surfaces of such housing to which children may be commonly exposed, in those areas that present a high risk for the health of residents because of the presence of lead based paints. Such programs should include those surfaces on which non-lead-based paints have been used to cover surfaces to which lead-based paints were previously applied; and

(3) any other actions which will reduce or eliminate lead-based paint poisoning.

(b) Each such program shall—

(1) be consistent with the appropriate local program assisted under section 101, and

(2) afford, to the maximum extent feasible, opportunities for employing the residents of communities or neighborhoods affected by lead-based paint poisoning, and for providing appropriate training, education, and any information which may be necessary to inform such residents of opportunities for employment in lead-based paint elimination programs.

(c) Any public agency, of a unit of local government or private nonprofit organization which receives assistance under this Act shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for purposes of audit and examination, any books, documents, papers, and records that are pertinent to the assistance received by such public agency of a unit of local government or private nonprofit organization under this Act.

TITLE III—FEDERAL DEMONSTRATION AND RESEARCH PROGRAM; FEDERAL HOUSING ADMINISTRATION REQUIREMENTS

FEDERAL DEMONSTRATION AND RESEARCH PROGRAM

SEC. 301. (a) The Secretary of Housing and Urban Development, in consultation with the Secretary of Health, Education, and Welfare, shall develop and carry out a demonstration and research program to determine the nature and extent of the problem of lead-based paint poisoning in the United States, particularly in urban areas, including the methods by which the lead-based paint hazard can most effectively be removed from interior surfaces, porches, and exterior surfaces of residential housing to which children may be exposed.

(b) The Chairman of the Consumer Product Safety Commission shall conduct appropriate research on multiple layers of dried paint film, containing the various lead compounds commonly used, in order to ascertain the safe level of lead in residential paint products. No later than December 31, 1974, the Chairman shall submit to Congress a full and complete report of his findings and recommendations as developed pursuant to such programs, together with a statement of any legislation which should be enacted or any changes in existing law which should be made in order to carry out such recommendations.

SEC. 302. The Secretary of Housing and Urban Development (hereafter in this section referred to as the “Secretary”) shall establish procedures to eliminate as far as practicable the hazards of lead-based

paint poisoning with respect to any existing housing which may present such hazards and which is covered by an application for mortgage insurance or housing assistance payments under a program administered by the Secretary. Such procedures shall apply to all such housing constructed prior to 1950 and shall as a minimum provide for (1) appropriate measures to eliminate as far as practicable immediate hazards due to the presence of paint which may contain lead and to which children may be exposed, and (2) assured notification to purchasers and tenants of such housing of the hazards of lead-based paint, of the symptoms and treatment of lead-based paint poisoning, and of the importance and availability of maintenance and removal techniques for eliminating such hazards. Such procedures may apply to housing constructed during or after 1950 if the Secretary determines, in his discretion, that such housing presents hazards of lead-based paint. The Secretary may establish such other procedures as may be appropriate to carry out the purposes of this section. Further, the Secretary shall establish and implement procedures to eliminate the hazards of lead-based paint poisoning in all federally owned properties prior to the sale of such properties when their use is intended for residential habitation.

TITLE IV—PROHIBITION AGAINST FUTURE USE OF LEAD-BASED PAINT

PROHIBITION AGAINST USE OF LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND THE MANUFACTURE OF CERTAIN TOYS AND UTENSILS

SEC. 401.¹ (a) The Secretary of Health, Education, and Welfare shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment of this Act.

(b) The Secretary of Housing and Urban Development shall take steps and impose such conditions as may be necessary or appropriate to prohibit the use of lead-based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form after the date of enactment of this Act.

(c) The Consumer Product Safety Commission shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any toy or furniture article.

TITLE V—GENERAL

DEFINITIONS

SEC. 501. As used in this Act—

(1) The term ²“State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.²

¹ Sec. 204(b) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, amended section 401 of the Lead-Based Paint Poisoning Act to read as set forth in the text.

² Sec. 204(c) (2) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, amended section 501 by deleting the words “the term” and inserting in lieu thereof “The term” in paragraphs (1) and (2); by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period; by striking out “; and” at the end of paragraph (2) and inserting in lieu thereof a period.

(2) The term ¹ “units of general local government” means (A) any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, (B) any combination of units of general local government in one or more States, (C) an Indian tribe, or (D) with respect to lead-based paint poisoning elimination activities in their urban areas, the territories and possessions of the United States.¹

(3)(A)² Except as provided in subparagraph (B), the term “lead-based paint” means any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.

(B)(i) The Consumer Product Safety Commission shall, during the six-month period beginning on the date of the enactment of the National Health Promotion and Disease Prevention Act of 1976, determine, on the basis of available data and information and after providing opportunity for an oral hearing and considering recommendations of the Secretary of Health, Education, and Welfare (including those of the Center for Disease Control) and of the National Academy of Sciences, whether or not a level of lead in paint which is greater than six one-hundredths of 1 per centum but not in excess of five-tenths of 1 per centum is safe. If the Commission determines, in accordance with the preceding sentence, that another level of lead is safe, the term “lead-based” paint means, with respect to a paint which is manufactured after the expiration of the six-month period beginning on the date of the Commission’s determination, paint containing by weight (calculated as lead metal) in the total nonvolatile content of the paint more than the level of lead determined by the Commission to be safe or the equivalent measure of lead in the dried film of paint already applied, or both.

(ii) Unless the definition of the term “lead-based paint” has been established by a determination of the Consumer Product Safety Commission pursuant to clause (i) of this subparagraph, the term “lead-based paint” means, with respect to paint which is manufactured after the expiration of the twelve-month period beginning on such date of enactment, paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.

CONSULTATION WITH OTHER DEPARTMENTS AND AGENCIES

SEC. 502.³ In carrying out their respective authorities under this Act, the Secretary of Housing and Urban Development and the Secretary of Health, Education, and Welfare shall each cooperate with and seek the advice of the heads of any other departments or agencies

¹ See footnote 2 on the previous page.

² Sec. 204(c)(1) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, amended section 501(3) to read as set forth in the text.

³ Sec. 204(d) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, amended section 502 to read as set forth in the text.

regarding any programs under their respective responsibilities which are related to, or would be affected by, such authority.

APPROPRIATIONS

SEC. 503. (a)¹ There are authorized to be appropriated to carry out this Act \$10,000,000 for the fiscal year 1976, \$12,000,000 for the fiscal year 1977, and \$14,000,000 for the fiscal year 1978.

(b)² Any amounts appropriated under this section shall remain available until expended when so provided in appropriation Acts; and any amounts authorized for one fiscal year but not appropriated may be appropriated for the succeeding fiscal year.³

ELIGIBILITY OF CERTAIN STATE AGENCIES

SEC. 504. Notwithstanding any other provision of this Act, grants authorized under sections 101 and 201 of this Act may be made to an agency of State government in any case where State government provides direct services to citizens in local communities or where units of general local government within the State are prevented by State law from implementing or receiving such grants or from expending such grants in accordance with their intended purpose.

ADVISORY BOARDS

SEC. 505. (a) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, is authorized to establish a National Childhood Lead-Based Paint Poisoning Advisory Board to advise the Secretary on policy relating to the administration of this Act. Members of the Board shall include residents of communities and neighborhoods affected by lead-based paint poisoning. Each member of the National Advisory Board who is not an officer of the Federal Government is authorized to receive an amount equal to the minimum daily rate prescribed for GS-18, under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of the Board. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(b) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, shall promulgate regulations for establishment of an advisory board for each local program assisted under this Act to assist in carrying out this program. Two-thirds of the members of the board shall be residents of communities and neighborhoods affected by lead-based paint poisoning. A majority of the board shall be appointed from among parents, who, when appointed, have at least one child under six years of age. Each member of a local advisory board shall only be reimbursed for necessary expenses incurred in the actual performance of his duties as a member of the board.

¹ Sec. 204(e) (1) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976 amended section 503(a) to read as set forth in the text.

² Sec. 204(e) (2) of Title II, Disease Control Amendments of 1976, Public Law 94-317, 90 Stat. 700, approved June 23, 1976, redesignated former subsection "(d)" as "(b)".

³ Sec. 204(3) of the Fiscal Year Transition Act, Public Law 94-274, 90 Stat. 383, approved April 21, 1976, provides for treatment of the transition quarter period between July 1, 1976 through September 30, 1976, as a fiscal year.

EFFECT UPON STATE LAW

SEC. 506. It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and units of local government insofar as they may now or hereafter provide for a requirement, prohibition, or standard relating to the lead content in paints or other similar surface-coating materials which differs from the provisions of this Act or regulations issued pursuant to this Act. Any law, regulation, or ordinance purporting to establish such different requirement, prohibition, or standard shall be null and void.

Approved January 13, 1971.

PROPERTY DISPOSAL—LOS ALAMOS

Atomic Energy Community Act of 1955

[Public Law 221, 84th Congress; 69 Stat. 471; 42 U.S.C. 2301]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Atomic Energy Community Act of 1955".

CHAPTER 1. DECLARATION, FINDINGS, AND PURPOSE

SEC. 11. DECLARATION OF POLICY.—It is hereby declared to be the policy of the United States of America that Government ownership and management of the communities owned by the Atomic Energy Commission shall be terminated in an expeditious manner which is consistent with and will not impede the accomplishment of the purposes and programs established by the Atomic Energy Act of 1954. To that end, it is desired at each community to—

- a. facilitate the establishment of local self-government;
- b. provide for the orderly transfer to local entities of municipal functions, municipal installations, and utilities; and
- c. provide for the orderly sale to private purchasers of property within those communities with a minimum of dislocation.

SEC. 12. FINDINGS.—The Congress of the United States hereby makes the following findings concerning the communities owned by the Atomic Energy Commission:

a. The continued morale of project-connected persons is essential to the common defense and security of the United States.

b. In issuing rules and regulations required or permitted under this Act for the disposal of the communities and in disposing of the communities in accordance with the provisions of this Act and in accordance with the rules and regulations required or permitted by this Act, the Commission is acting under authority delegated to it by the Congress.

c. Funds of the United States may be provided for the disposal of the communities and for assistance in the operation of the communities thereafter under conditions which will provide for the common defense and promote the general welfare.

SEC. 13. PURPOSE.—It is the purpose of this Act to effectuate the policies set forth above by providing for—

a. the maintenance of conditions which will not impede the recruitment and retention of personnel essential to the atomic energy program;

b. the obligation of the United States to contribute to the support of municipal functions in a manner commensurate with—

(1) the fiscal problems peculiar to the communities by reason of their construction as national defense installations, and

- (2) the municipal and other burdens imposed on the governmental or other entities at the communities by the United States in its operations at or near the communities;
- c. the opportunity for the residents of the communities to assume the obligations and privileges of local self-government; and
- d. the encouragement of the construction of new homes at the communities.

CHAPTER 2. DEFINITIONS

SEC. 21. DEFINITIONS.—The intent of Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this Act—

- a. The term “Commission” means the Atomic Energy Commission.
- b. The term “community” means that area at—

(1) Oak Ridge, Tennessee, designated on a map on file at the principal office of the Commission, entitled “Minimum Geographic Area, Oak Ridge, Tennessee”, bearing the legend “Boundary Line, Minimum Geographic Area, Oak Ridge, Tennessee” and marked “Approved, 21 April 1955, K. D. Nichols, General Manager”; or

(2) Richland, Washington, designated on a map on file at the principal office of the Commission, entitled “Minimum Geographic Area, Richland, Washington”, bearing the legend “Boundary Line, Minimum Geographic Area, Richland, Washington” and marked “Approved, 21 April 1955, K. D. Nichols, General Manager”; or

(3)¹ Los Alamos, New Mexico, designated on a map on file at the principal office of the Commission, entitled “Minimum Geographic Area, Los Alamos, New Mexico,” bearing the legend “Boundary Line, Minimum Geographic Area, Los Alamos, New Mexico” and marked “Approved, April 5, 1962, A. R. Luedecke, General Manager.”

- c. The term “house” includes the lot on which the house stands.

d. The term “member of a family” means any person who, on the first offering date, resides in the same dwelling unit with one or more of the following relatives (including those having the same relationship through marriage or legal adoption): spouse, father, mother, grandfather, grandmother, brother, sister, son, daughter, uncle, aunt, nephew, niece, or first cousin.

e. The term “mortgage” shall include deeds of trust and such other classes of lien as are given to secure advances on, or the unpaid purchase price of real estate under the laws of the State in which the real estate is located.

f. The term “municipal installation” includes, without limitation, schools, hospitals, police and fire protection systems, sewerage and refuse disposal plants, water supply and distribution installations, streets and roads, libraries, parks, playgrounds and recreational means, municipal government buildings, other properties suitable for municipal or comparable local public service purposes, and any fix-

¹ Sec. 1 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, added subsec. (3).

tures, equipment, or other property appropriate to the operation, maintenance or repair of the foregoing.

g. The term "occupant" means a person who, on the date on which the property in question is first offered for sale, is entitled to residential occupancy of the Government-owned house in question, or of a family dwelling unit in such house, in accordance with a lease or license agreement with the Commission or its property-management contractor.

h. The term "offering date" means the date the property in question is offered for sale.

i. The term "project area" means that area which on the effective date of this Act constitutes the Federal area at Oak Ridge, Tennessee, or Hanford, Washington, or ¹ that area which, on the date Los Alamos is included within this Act, constitutes the County of Los Alamos, New Mexico, excluding therefrom, however, that land which is, on said date, under the administrative control of the National Park Service of the Department of the Interior.

j. The term "project-connected person" means any person who, on the first offering date, is regularly employed at the project area in one of the following capacities:

(1) An officer or employee of the Commission or any of its contractors or subcontractors, or of the United States or any agency thereof (including members of the Armed Forces), or of a State or political subdivision or agency thereof;

(2) An officer or employee employed at a school or hospital located in the project area;

(3) A person engaged in or employed in the project area by any professional, commercial, or industrial enterprise occupying premises located in the project area; or

(4) An officer or employee of any church or nonprofit organization occupying premises located in the project area.

k. The term "resident" means any person who, on the date on which the property in question is first offered for sale is either—

(1) an occupant in a residential unit designated for sale at the community, or

(2) a project-connected person who is entitled, in accordance with a lease or similar agreement, to residential occupancy of privately owned rental housing in the community.

l. The term "utility" means any electrical distribution system, any ² natural gas distribution system, any public transportation system, or any public communication system, and any fixtures, equipment, or other property appropriate to the operation, maintenance or repair of the foregoing.

m.³ The terms "single" and "single family" when used in connection with "house" or "residential property" shall include each separate unit of a residential structure which the Commission has classified as a residential structure containing two or more separate single family units pursuant to section 41c. of this Act.

¹ Sec. 2 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, added the remainder of this sentence.

² Sec. 3 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, inserted "any natural gas distribution system."

³ Added by sec. 4 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664.

CHAPTER 3. LOTS, APPRAISALS, AND PRICES

SEC. 31. LOTS.—The Commission is authorized to plat each community immediately upon passage of this Act, or immediately upon the inclusion of the community within the provisions of this Act. The Commission may establish lot boundaries, and realine, divide, or enlarge existing tracts as it deems appropriate.

SEC. 32. APPRAISALS.—The Commission shall proceed to secure appraisals of all property at the community which is to be sold pursuant to this Act. The appraisals shall be made by the Secretary of Housing and Urban Development or his designee. The¹ Secretary of Housing and Urban Development shall be reimbursed from the Community Disposal Operation Funds for the cost of such appraisals. Appraisals made under this section shall be the appraisals on which the Secretary of Housing and Urban Development may insure any mortgage or loan under the National Housing Act until such time as he finds that the appraisal values generally in the community no longer represent the fair market values of the properties.

SEC. 33. BASIS OF APPRAISAL.—Except for lots sold pursuant to the provisions of section 57a., the appraised value shall be the current fair market value of the Government's interest in the property.

SEC. 34. POSTING.—Lists showing the appraised value of each parcel of property to be offered for sale to priority purchasers shall, prior to the offering of such property for sale, be made available for public inspection, at reasonable times, at the offices of the Commission at the community.

SEC. 35. SALES PRICES.—

a. In the sale to priority purchasers of properties on which are located Government-owned single or duplex houses, the sales price shall be the appraised value less a deduction of 15 per centum of the appraised value and less the deductions provided by section 36.

b. In all other cases the sales price to priority purchasers shall be the appraised value less the deductions provided by section 36, except that sales made under sections 53 b. and c. shall be made at the prices set forth therein.

c.² The appraised value of the Government's interest in commercial property shall, in the cases where renegotiation of the lease is requested by the lessee under the provisions of section 161 e. of the Atomic Energy Act of 1954, as amended, be based upon the renegotiated lease if any is agreed on.³ Where such renegotiations are requested, the sales proceedings shall not be initiated until the completion of the renegotiation.

SEC. 36. IMPROVEMENTS.—

a. In addition to any other deduction which may be permitted from the sales price for⁴ property, there shall, upon application

¹ Immediately prior to amendment by sec. 5 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, this sentence read: "The Commission shall reimburse the Federal Housing Commissioner for the cost of such appraisals."

² Subsec. c was added by sec. 202 of Public Law 85-162, 85th Congress, approved August 21, 1957, 71 Stat. 403, 410.

³ Sec. 203 of Public Law 85-162, 85th Congress, approved August 21, 1957, 71 Stat. 403, 410 provides that "The Atomic Energy Commission, the Federal Housing Administration, and the Housing and Home Finance Agency shall report to the Joint Committee by January 31, 1958, with respect to the renegotiations, reappraisals, and sales proceedings authorized."

⁴ The word "residential" deleted at this place by sec. 1 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 653.

by the prospective purchaser, be deducted the amount by which the current fair market value of the Government's interest in the premises is enhanced as a result of improvements to the premises made by, or at the expense of, the prospective purchaser: *Provided*,¹ That, with reference to commercial property, the improvement credit allowed shall be the value of the enhancement of the Government's interest in the property, as determined by the Commission on the basis of the appraisal provided for under section 32: *Provided further*,² That such credit shall be reduced to the extent that lessee has been previously compensated therefor, as determined by the Commission, under the terms of the lease or otherwise.

b.² An occupant of a single family or duplex house shall, upon application therefor, be entitled to a credit, against the purchase price of any residential property purchased through the exercise of a priority right established under the provisions of section 42, for the amount by which the current fair market value of the Government's interest in the single family or duplex house of which he was an occupant is enhanced as a result of improvements to the premises of such single family or duplex house made by, or at the expense of, such occupant.

c. The value of the improvements as specified in subsections 36 a. and b. shall be determined in accordance with the provisions of section 32.

d. Persons purchasing property pursuant to the provisions of section 52, who do not desire to avail themselves of the indemnity provisions contained in sections 63 through 66, shall be entitled to an additional deduction of 10 per centum of the appraised value of the property in addition to any other deduction set forth in this section.

CHAPTER 4. CLASSIFICATION OF PROPERTY AND PRIORITIES

SEC. 41. CLASSIFICATION OF PROPERTY.—

a. Immediately upon passage of this Act, or,³ in the case of Los Alamos, upon its inclusion within this Act, the Commission shall classify all real property (including such improvements and such fixtures, equipment and other personal property incident thereto as it may deem appropriate) within each community in accordance with such classifications as shall insure reasonably similar treatment for reasonably similar property. The classification shall be made by such procedures, consistent with this chapter, as it shall determine.

¹ This proviso added by sec. 1 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 653.

² Immediately prior to amendment by sec. 6 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, sec. 36b read as follows:

"b. A junior occupant of a duplex house, which was purchased by the senior occupant, shall, upon application therefor, be entitled to a credit, against the purchase price of any residential property purchased through the exercise of a priority right established under the provisions of section 42, for the amount by which the current fair market value of the Government's interest in the duplex house of which he was an occupant is enhanced as a result of improvements to the premises of such duplex house made by, or at the expense of, the junior occupant."

³ Sec. 7 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664, inserted "or, in the case of Los Alamos, upon its inclusion within this Act".

b. The Commission may, but shall not be required to, classify any other real property at or in the vicinity of the community, whether within or outside of that community.

c.¹ Prior to the date any residential property is first offered for sale at Los Alamos, the Commission shall further classify each residential structure within the community of Los Alamos either as a single family house, a duplex house, an apartment house, a dormitory, or as a residential structure containing two or more separate single family units and shall post, at the offices of the Commission at Los Alamos, a list, available for public inspection at reasonable times, showing the classification of each such residential structure. For the purposes of this Act, each such residential structure will thereafter be deemed to be a single family house, a duplex house, an apartment house, a dormitory, or a residential structure containing two or more separate single family units in accordance with its classification. In determining the classification of each such residential structure containing two or more single family units, the Commission shall consider (1) the practicability of selling separately the single family units, and (2) the insurability of mortgages under section 223(a) of the National Housing Act,² as amended.

SEC. 42. PRIORITIES.—The Commission shall establish, by rule or regulation, a detailed system of reasonable and fair priority rights applicable to the sale of Government-owned property to private purchasers at each community. The priorities shall—

a. be uniform in each class or subclass of property;

b. give such preference to occupants and project-connected persons and to incoming employees of the Commission, of a contractor, or of a licensee as the Commission finds necessary or desirable, giving due consideration to the following factors:

(1) The retention and recruitment of personnel essential to the atomic energy program;

(2) The minimization of dislocations within the community;

(3) The expeditious accomplishment of the disposal programs; and

(4) The desirability of encouraging private firms to locate or remain in the community.

c. give the occupant of a Government-owned single family house, and the senior occupant of a duplex house, at least ninety days in which to exercise the first right of priority;

d. permit persons who have formerly been occupants, project-connected persons, or inhabitants of the community, upon application therefor, to have such priority as the Commission finds to be fair and equitable; and

e. not impair any rights, including purchase rights, conferred by existing leases and covenants;

SEC. 43. TRANSFERABILITY.—No priority shall be transferable, except—

a. a husband and wife may exercise a priority in their joint names;

¹ Added by sec. 8 of Public Law 87-719, approved September 28, 1962, 76 Stat. 664.

² See provisions of sec. 223(a) of the National Housing Act.

b. a religious organization may exercise the priority which would otherwise belong to its priest, minister, or rabbi, regardless of whether that position happens to be filled at the time of the exercise of the priority;

c. two or more priority holders having a common interest in a building or location may assign their interests to a single assignee; and

d. the Commission may permit such other transfers as it finds to be fair and equitable.

CHAPTER 5. SALES OF PROPERTY FOR PRIVATE USE

SEC. 51. APPLICATION.—The provisions of this chapter shall be made applicable at each community as soon as the Commission makes a finding¹ in writing that there is a reasonable possibility that the Government-owned real property at such community can be disposed of in accordance with the provisions of this chapter.

SEC. 52. DISPOSAL OF PROPERTY.—

a. The Commission shall offer for disposal all real property (including such improvements thereon and such fixtures, equipment, and other personal property incident thereto as it may deem appropriate) within the community which is presently under lease or license agreement with the Commission or its community management contractor for residential, commercial or industrial, agricultural, church or other nonprofit use, or which, in the opinion of the Commission, is appropriate for such use, other than—

(1) structures which in the opinion of the Commission should be removed from the community because of their unsatisfactory type of construction, condition, or location; or

(2) property which in the opinion of the Commission should be transferred pursuant to chapter 7 or chapter 8; or

(3)² property which in the opinion of the Commission should be retained by the Commission for its own use.

b. The Commission may, but shall not be required to, dispose of any other real property at the community, whether within or outside of that community.

c. Such property shall be disposed of on such terms and conditions, consistent with this chapter, as the Commission shall prescribe in the national interest, and without regard to any preferences or priorities whatever except those provided for pursuant to this Act. Transfers by the Commission of such property shall not impair rights under existing leases and covenants, including any purchase rights therein conferred.

SEC. 53. SALES.—

a. Where rights of priority have been granted pursuant to the provisions of this Act to Government-owned property, it shall be offered for sale to priority purchaser by giving notice to those eligible for such priority. Such notice shall (1) be in such manner as the Commission shall prescribe, (2) identify the property to be sold, and (3) state the terms and conditions of sale and the date of the offer which, in the case of occupants of single

¹ This finding was made for Oak Ridge, Tenn., effective July 11, 1956 (21 Fed. Reg. 5135), and for Richland, Wash., effective February 11, 1957 (22 Fed. Reg. 895).

² Added by sec. 9 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665.

family or duplex houses, shall expire not less than ninety days after the date of the offer.

b. Any property (other than church property) classified for sale under section 41 and offered for sale under section 52, as to which no priority right has been conferred, or as to which all priority rights have expired, shall be advertised for sale to the highest bidder, subject to the right of the Commission to reject any or all bids.¹ No bid shall be accepted which is below the appraised value or, in the case of Government-owned single and duplex houses is below 85 per centum of the appraised value.

c. As to any property which has not been sold under subsection 53a., within ninety² days after the first advertisement for sale under subsection 53b. the Commission may make such disposition, on such terms and conditions, as it may deem appropriate.³

d. Property for use of churches, in respect of which all priority rights have expired, may be disposed of by advertising and competitive bid, or by negotiated sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.

SEC. 54. CASH SALES.—All sales shall be for cash, and the buyer shall arrange for the necessary financing, except as provided in chapter 6 of this Act.

SEC. 55. FORM AND PROVISIONS OF INSTRUMENTS.—Deeds executed in connection with the disposal of property pursuant to the provisions of this Act—

a. shall be as simple as the Commission shall find to be appropriate, and may contain such warranties or covenants of title and other provisions (including any indemnity) as the Commission may deem appropriate;

b. with respect to any dormitories or apartment houses and any property used or to be used for construction of housing developments for rental purposes, may retain or acquire such rights to the Commission to designate the future occupants of part or all of such properties as it may deem appropriate to insure the availability of housing for employees of the Commission and its contractors;

c. may require that the transferee, his heirs, successors, and assigns shall compensate the Commission for any municipal services provided by the Commission at rates which will not be in excess of the average tax for such services in the immediate vicinity of the community; and any amounts due and unpaid for such compensation (together with interest and costs thereon) shall, as of the date on which such amounts become delinquent, be a lien in favor of the United States upon the premises sold by the Commission, though not valid as against any mortgagee, pledgee, purchaser, or judgment creditor until notice thereof has been filed in accordance with the laws of the State in which the property is situated

¹ Sec. 10 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665, deleted the remainder of this sentence which read: "and also subject to the right of an occupant of a Government-owned single family or duplex house to buy such house by paying an amount equal to the highest bid."

² Public Law 87-174, approved August 30, 1961, 75 Stat. 409, substituted "ninety days" for "one year."

³ Sec. 11 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665, deleted the remainder of this subsection which read: "but the Commission shall give an occupant of a Government-owned single family or duplex house such further opportunity to purchase such house as shall be fair and equitable."

or in the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated, if such State has not by law provided for the filing of such notice;

d. in transferring any property pursuant to sections 31 and 52, may impose such restrictions and requirements relating to the use of the premises and to public health and safety, as the Commission may deem appropriate, which restrictions and requirements shall not be valid beyond one year after the incorporation of the city at the community or ¹ after June 30, 1966, in the case of Los Alamos; and

e. may require that any payments in lieu of property taxes or assessments for local improvements made by the Commission with respect to the property shall be equitably prorated.

SEC. 56. OCCUPANCY BY EXISTING TENANTS.—Upon application by any occupant of a single or duplex house made within the period of the first priority when such house is first offered for sale under this Act, the Commission shall execute a lease to such occupant for a period not to exceed one year from the date on which such property is first offered for sale, or for such period as he remains a project-connected person, whichever is shorter. In selling any house with respect to which a lease executed under this section is in effect, the Commission may provide that the purchaser shall assume any or all obligations of the lessor, but the Commission shall guarantee the lessee's performance under the terms of the lease.

SEC. 57. LOTS.—

a. Notwithstanding any other provision of this Act, the Commission is authorized, immediately upon passage of this Act, or immediately upon the inclusion of the community within the provisions of this Act, to offer for sale to the lessees single residential lots, which were leased by competitive bid and which do not have a Government-owned building thereon, at a price equal to the initial valuation of the lot as stated in the lease.

b. The Commission is authorized to offer for sale, as soon as possible, other lots, to individual owners, upon which single family or duplex houses may be erected taking into consideration the zoning restrictions the new city is likely to enact with respect to those lots. The ² zoning restrictions to be taken into account at Los Alamos shall be those which the local government is likely to enact with respect to those lots.

SEC. 58.³ PRIORITY SALE OF APARTMENT HOUSES.—

a. The Commission is authorized at Los Alamos to grant to occupants, project-connected persons, and persons residing in the commu-

¹ Sec. 12 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665, inserted "or after June 30, 1966, in the case of Los Alamos".

² Sec. 13 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665, inserted this sentence.

³ Immediately prior to amendment by sec. 1 of Public Law 90-190, approved December 14, 1967, 81 Stat. 575, sec. 58 read as follows:

"Sec. 58. COOPERATIVES.—The Commission may grant to cooperatives, the entire initial membership of which is restricted to project-connected persons, such priorities for the purchase of apartment buildings as the Commission determines fair and reasonable. The priority with respect to each cooperative shall terminate if within such time as the Commission may prescribe the cooperative has not obtained one hundred per centum initial membership consisting of project-connected persons. The 15 per centum deduction specified by subsection 35 a., the deduction provided by 36 d., the financing provisions of section 62, and the indemnity provided by sections 63, 64, 65, and 66 shall be applicable to priority sales of apartment buildings to such cooperatives. The term 'cooperative' as used herein means a corporation or a trust of the character described in section 213(a)(1) of the National Housing Act, as amended."

nity both at the time of offering of an apartment house for sale and for the preceding six months, and to any of the foregoing persons acting together, such priority interests and priority rights for the purchase of the apartment house as the Commission determines to be fair and reasonable: *Provided*, That a first priority right to purchase may be granted only to an occupant or a group of occupants, or an assignee (whose membership or ownership is composed of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons) of the priority interests of such occupants, who or which has obtained the priority interest of at least 60 per centum of the occupants of the apartment house: *Provided further*, That a second priority right to purchase may be granted only to an entity whose membership or ownership consists of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons (provided that such entity has obtained the priority interest of at least one occupant), and whose membership or ownership equals in number, and occupies or agrees to occupy, at least 70 per centum of the housing units in the apartment house. The 15 per centum deduction specified by subsection 35 a., the deduction provided by subsection 36 d., the financing provisions of section 62, and the indemnity provided by sections 63, 64, 65, and 66 shall be applicable to such priority sales of apartment houses. Priority interests granted by the Commission under this section shall be transferable as the Commission may by rule or regulation prescribe, but no priority right to purchase shall be transferred except as provided by section 43.

b. Any occupant who does not participate in the purchase of an apartment house with respect to which a priority right to purchase has been granted shall be entitled, at the time of sale by the Commission, to a lease for occupancy of his housing unit for a period not to exceed fifteen months from the date the property was first offered for sale: *Provided*, That the occupant makes application for such a lease within 30 days of the grant of such priority to purchase. In selling any apartment house with respect to which a lease executed under this section is in effect, the Commission is authorized to provide for the purchaser to assume any or all obligations of the lessor. The Commission in such event shall guarantee the lessee's performance of the lease.

c. Persons who have purchased, either individually or jointly with other persons, a single-family house or duplex house (or a single-family unit in a duplex house) at Los Alamos pursuant to a priority right under this Act shall not be eligible to participate in the priority purchase of an apartment house.

d. The Commission is authorized to prescribe by rule or regulation such other conditions as it may find necessary or desirable for qualification of priority interests and rights for the purchase of an apartment house.

CHAPTER 6. FINANCING

SEC. 61. CONTRACT PURCHASE.—The Commission may, in the sale of any single-family or duplex house to a priority purchaser, enter into a contract to purchase which provides that the purchaser shall

conclude his purchase within not more than three years after the date the contract is entered into. Such contracts to purchase shall provide for such periodic payments, including payments on account of principal, interest, or tax equivalents, as the Commission shall prescribe.

SEC. 62. COMMISSION FINANCING.—

a. In the event that the Commission finds that financing on reasonable terms is not available from other sources, the Commission may in order to facilitate the sale of residential property under chapter 5 of this Act, accept, in partial payment of the purchase price of any such property¹ notes secured by first mortgages on such terms and conditions as the Commission shall deem appropriate. In the case of houses and apartment buildings, the maturity and percentage of appraised value in connection with such notes and mortgages shall not exceed those prescribed under section 223(a) of the National Housing Act, as amended, and the interest rate shall equal the interest rate plus the premium being charged (and any periodic service charge being authorized by the Secretary of Housing and Urban Development for properties of similar character) under section 223(a) of the National Housing Act, as amended, at the effective date of such notes and mortgages.

b.² In connection with the sale of residential property financed under section 62a. of this Act, the Commission is authorized to make advances for necessary repairs, or for the rehabilitation, modernization, rebuilding or enlargement of single and duplex residential properties to priority purchasers, and to include such advances in the amount of the note secured by the mortgage on such property.

PROPERTY DISPOSAL

c.³ In the event that the Commission finds that financing on reasonable terms is not available from other sources, the Commission may, in order to facilitate the sale of commercial property under chapter 5 of this Act, accept, in partial payment of the purchase price of any commercial property notes secured by first mortgages on such terms and conditions as the Commission shall deem appropriate.

d.⁴ The Commission may sell any notes and mortgages acquired under subsections a. and c. of this section on terms set by the Commission. Notwithstanding any other provisions of law and without regard to the provisions of section 3709 of the Revised Statutes, the Commission may, in accordance with such terms and conditions as it may prescribe, (1) enter into contracts for servicing any of the notes and mortgages it has acquired, and (2) sell

¹ Sec. 15 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665 substituted "such property" for "house, apartment building, or dormitory".

² Subsec. b, amended to read as set forth in the text by sec. 2 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 653.

Prior to amendment subsec. b read as follows: "The Commission may sell any such notes and mortgages on terms set by the Commission."

³ This subsection added by subsec. 2 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 653.

⁴ Immediately prior to amendment by sec. 16 of Public Law 87-719, approved September 28, 1962, 76 Stat. 665, subsec. (d) read as follows: "d. The Commission may sell any notes and mortgages acquired under subsections a. and c. hereof on terms set by the Commission."

or enter into contracts to sell to a servicer any notes and mortgages with respect to which a servicing contract has been entered into by the servicer with the Commission: *Provided*, That with respect to sales of notes and mortgages under (2) the Commission shall comply with section 3709 of the Revised Statutes unless it determines that such compliance would not be feasible.

SEC. 63. COMMISSION INDEMNITY.—For a period of not more than fifteen years after the date of enactment of this Act, or,¹ in the case of Los Alamos, not more than fifteen years after the date it is included within this Act, the Commission shall indemnify the purchaser (except a purchaser taking advantage of the provisions of subsection 36(d)), and any successor in title, of any such single family or duplex house as set forth in this chapter. This indemnity shall be deemed to be incorporated in the deeds given on the sale of Government-owned houses. One person may not invoke the indemnity in respect of more than one house.

SEC. 64. COMMUNITY EMPLOYMENT AND POPULATION.—The indemnity obligation specified in section 63 shall arise only if, for the six months just preceding the date on which it is invoked—

(a) the total number of operating, maintenance, and administrative employees in the project area, as determined by the Commission, has been less than fourteen thousand three hundred and thirty-seven in the case of Oak Ridge or seven thousand six hundred and twenty-two in the case of Richard or² four thousand six hundred and twenty in the case of Los Alamos; and

(b) the population in the community has been less than twenty-nine thousand two hundred and fifty in the case of Oak Ridge or twenty-five thousand two hundred in the case of Richland or³ eleven thousand seven hundred and sixty-nine in the case of Los Alamos.

For purposes of this section employment shall be determined on the basis of the pay period or periods ending nearest the 15th of each month.

SEC. 65. AMOUNT OF INDEMNITY.—The indemnity obligation of the Commission specified in section 63 shall be for such amount, less the sales price of the property, as would have remained unpaid under a loan entered into on the date of the execution of the original deed by the Commission—

(1) which was in the amount of the purchase price from the Commission and provided for equal monthly payments of principal and interest over a period of twenty years computed on the basis of the average interest and other charges recorded for property of the same class at the community; and

(2) on which all payments due to the date when notice was received by the Commission had been made.

SEC. 66. CONDITIONS OF INDEMNITY.—The Commission shall make the indemnity payment specified by section 65 only if the Commission receives a notice from the then owner of the property that he is about

¹ This clause added by sec. 17 of Public Law 87-719, approved September 28, 1962, 76 Stat. 666.

² Sec. 18 of Public Law 87-719, approved September 28, 1962, 76 Stat. 666, inserted "or four thousand six hundred and twenty in the case of Los Alamos".

³ Sec. 19 of Public Law 87-719, approved September 28, 1962, 76 Stat. 666, inserted "or eleven thousand seven hundred and sixty-nine in the case of Los Alamos".

to sell the property for a sum less than the unpaid balance of the real or hypothetical loan calculated pursuant to section 65. Such payment shall be made only if—

a. notice is given to the Commission at a time when the conditions of section 64 are satisfied;

b. the sale is made within such time as the Commission may prescribe and in a manner which the Commission determined to afford adequate assurance of a fair price without excessive costs; and

c. the Commission is given such prior notice of the sale and such opportunity to become a purchaser as it shall prescribe.

In such circumstances the Commission is hereby authorized to purchase the property. Sales pursuant to this section and payment by the Commission of such amount, if any, as is owing pursuant to sections 63 through 66 shall end the obligation of the Commission under sections 63 through 66 with respect to that property.

CHAPTER 7. UTILITIES

SEC. 71. AUTHORIZATION TO TRANSFER UTILITIES.—The Commission is authorized to transfer to one or more of the entities specified in this chapter such utilities as in the judgment of the Commission will be appropriate to enable the transferee to meet the needs of the residents of the community for adequate utility services of the kind to be transferred.

SEC. 72. DATE OF TRANSFER.—Transfers of utilities shall be made as soon as possible, but in any event, not later than five years after the date of enactment of this Act in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this Act.

SEC. 73. ENTITY RECEIVING TRANSFER.—

a. Transfer may be made to one or more of the following, if the transferee has the legal authority to receive and operate the utility:

- (1) the city at the community;
- (2) the State in which the community is located;
- (3) any political subdivision or agency of that State; or
- (4) any person, firm, corporation, or other legal entity.

b. In determining the transferee for any utility, the Commission may consider the following:

(1) the pattern of ownership of the comparable utilities in the State in which the community is located;

(2) the ability of the transferee to operate the utility;

(3) the probable price of the sale of the utility, the ability of the transferee to pay that price, and any probable expense;

(4) the desires of the eligible voters of the community as directly expressed in any vote in any officially recognized procedure or in any procedure established by the Commission; and

(5) the benefit to the United States in reducing possible requirements for local assistance as authorized in chapters 8 and 9 of this Act.

SEC. 74. UTILITIES TRANSFERABLE.—All utilities are authorized to be transferred under this chapter, but shall not include property which the Commission determines to be needed for its own use.

SEC. 75. CHARGES FOR UTILITIES TRANSFERRED.—The Commission may give the utility to the city incorporated at the community; and must charge in selling the utility to any other transferee: *Provided*, That at Los Alamos, utilities may be given to the county or other local governmental entity. The charges and terms for the transfer of any utility may be established by advertising and competitive bid, or by negotiated sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.

CHAPTER 8. MUNICIPALITIES

SEC. 81. ASSISTANCE IN ORGANIZATION.—The Commission is authorized, for a period not to extend beyond five years after the date of enactment of this Act in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not to extend beyond five years after the date it is included within this Act, to cooperate with and assist the residents of the community in preparation for and establishment of local self-government and in the transfer of municipal installations and responsibilities to local entities. Such assistance may include payment of any amounts reasonably necessary to meet expenses incident to the establishment and organization of a city government and other local entities at the community, until such time as the municipal installations are transferred in accordance with the provisions of this chapter.

SEC. 82. AUTHORIZATION TO TRANSFER MUNICIPAL INSTALLATIONS.—The Commission is authorized to transfer to one or more of the entities specified in this chapter such municipal installations as in the judgment of the Commission, will be appropriate to enable the transferees to meet the needs of the residents of the community for adequate school, hospital, and other municipal services.

SEC. 83. DATE OF TRANSFER.—Transfers of municipal installations may be made at any time, not later than five years after the date of enactment of this Act in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this Act.

SEC. 84. ENTITY RECEIVING TRANSFER.—

a. Transfers may be made to one or more of the following, if the entity has the legal authority to receive the installation: (1) the city at the community; (2) the State in which the community is located; (3) any political subdivision or agency of that State; or (4) a private non-profit organization in the case of the hospital installation or cemetery at the community.

b. In determining the entity to which school, hospital, and other municipal installations, respectively, shall be transferred, the Commission shall be governed, in order, by

(1) the results of a vote in which the eligible voters in the community expressed themselves directly on the transfer in the vote on the incorporation of the city;

(2) the results of a vote in which the eligible voters have directly expressed themselves on the proposed transfer in a referendum or other officially recognized procedure;

(3) there being only one entity which is legally authorized to receive the municipal installation; or

(4) in the absence of the other alternatives, the Commission has conducted a vote of the eligible voters of the community on the proposed transfer under such procedures as it may establish.

SEC. 85. INSTALLATIONS TRANSFERABLE.—All municipal installations are authorized to be transferred under this chapter, but shall not include property which the Commission determines to be needed for its own use.

SEC. 86. CHARGES FOR MUNICIPAL INSTALLATIONS TRANSFERRED.—The transfer of any municipal installation authorized to be made under the provisions of this chapter may be made without charge to the entity receiving the installation.

CHAPTER 9. LOCAL ASSISTANCE

SEC. 91. BASIS OF ASSISTANCE TO CITIES AND OTHER STATE AND LOCAL ENTITIES.—

a. From the date of transfer of any municipal installations to a governmental or other entity at or for the community, the Commission shall, for a period of ten years, make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder: *Provided*,¹ *however*, with respect to the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, the Commission is authorized to continue to make assistance payments of just and reasonable sums after expiration of such ten-year period. In determining the amount and recipient of such payments, the Commission shall consider—

(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the atomic energy program;

(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single purpose national defense installation under emergency conditions;

(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area; and

(5) the tax revenues and sources available to the governmental entity, its efforts and diligence in collection of taxes, assessment of property, and the efficiency of its operations.

b. Special interim payments may be made under the provisions of this section to any governmental entity which—

(1) has a special burden due to the requirements under law imposed upon it in assisting in effectuating the purposes of this Act for which it will not otherwise receive adequate compensation or revenues; or

(2) will suffer a tax loss or lapse in place of which it will not receive any other adequate revenues until the new governmental entities contemplated by this chapter are receiving their normal taxes and performing their normal functions.

¹ Sec. 2 of Public Law 90-190, approved December 14, 1967, 81 Stat. 576, inserted this proviso, and also added clause (5) at the end of subsec. (a).

c. Payments made under this section shall be payments made for special burdens imposed on the local governmental entities in accordance with the second sentence of section 168 of the Atomic Energy Act of 1954. Payments may be made under this section notwithstanding the provisions of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as amended.

d. With respect to any entity not less than six months prior to the expiration of the ten-year period referred to in subsection a. (or ¹ not less than six months prior to June 30, 1979, in the case of the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District), the Commission shall present to the Joint Committee on Atomic Energy its recommendations as to the need for any further assistance payments to such entity.

e.² In exercising the authority of subsection 91a. the Commission shall assure itself that the governmental or other entities receiving assistance hereunder utilize all reasonable, available means to achieve financial self-sufficiency to the end that assistance payments by the Commission may be reduced or terminated at the earliest practical time.

SEC. 92. COMMISSION REDUCTIONS.—Any payment which becomes due under section 91 prior to the transfer of all municipal installations at the community may be reduced by such amount as the Commission determines to be equitable based on the municipal services then being performed by the Commission, and the municipal services then being performed by such governmental entity.

SEC. 93. AREAS OF SERVICE.—The payments made pursuant to section 91 to transferees of municipal installations are in anticipation that the respective recipients of those payments furnish, or have furnished, for the community, the school, hospital, or other municipal services in respect of which the payments are made. Any such payment may be withheld, in whole or in part, if the Commission finds that the recipient is not furnishing such services for any part of the areas so designated.

SEC. 94.³ COMMISSION CONTRACT.—The Commission is authorized without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are required or authorized to be made pursuant to section 91, obligating the Commission to make to such entity the payments directed or authorized to be made by section 91: *Provided, however,* That the term of such contracts, in the case of the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, shall not extend beyond June 30, 1979.

¹ Sec. 2 of Public Law 90-190, approved December 14, 1967, 81 Stat. 576, inserted this parenthetical clause and deleted the second sentence of subsec. (d) which read as follows: "If it recommends further contribution payments, it shall propose a definite schedule of such contribution payments which will provide for an orderly and reasonably prompt withdrawal of the Atomic Energy Commission from participation in and contribution toward local government."

² Subsec. e, added by sec. 2 of Public Law 90-190, approved December 14, 1967, 81 Stat. 576.

³ Immediately prior to amendment by sec. 3 of Public Law 90-190, approved December 14, 1967, 81 Stat. 576, sec. 94 read as follows:

"SEC. 94. COMMISSION CONTRACTS.—The Commission is authorized without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are required to be made pursuant to section 91, obligating the Commission to make to such entity the payments as directed to be made by section 91."

CHAPTER 10. TRANSFER OF FUNCTIONS, AND REVIEW

SEC. 101. TRANSFER OF FUNCTIONS.—The President is authorized to delegate ¹ the duties and responsibilities placed on the Commission by this Act to such other agencies of the United States Government as are reasonably qualified to perform those duties and responsibilities. The President may delegate any or all of the duties and responsibilities of the Commission in the operation of the communities to such other agencies of the United States Government that are reasonably qualified to perform those duties and responsibilities. The Commission shall retain no financing duties and responsibilities.

SEC. 102. REVIEW.—The Commission shall present to the Joint Committee on Atomic Energy of the Congress a full review of its activities under this Act every three years in addition to any other presentation which may be required or requested by the Joint Committee.

SEC. 103. Repealed.²

CHAPTER 11. GENERAL PROVISIONS

SEC. 111. POWERS OF THE COMMISSION.—The Commission shall have all powers conferred by the Atomic Energy Act of 1954, including the power to make, promulgate, issue, rescind, and amend such rules, regulations, and delegations as may be appropriate to carry out the provisions of this Act and shall be subject to the limitations contained in chapter 14 of that Act. Nothing contained in this Act shall impair the powers vested in the Commission by the Atomic Energy Act of 1954, as amended, or any other law.

SEC. 112. QUALIFICATION TO PURCHASE.—No officer or employee of the Commission or of any other Federal agency (including officers and members of the Armed Forces) shall be disqualified from purchasing any property or exercising any right or privilege under this Act, but no such officer or employee shall make any determination as to his own eligibility or priority, or as to valuation, price, or terms of sale and financing of property sold to him.

SEC. 113. CONTRACT FORMS.—Contracts entered into pursuant to this Act and other instruments executed pursuant to this Act shall be in such form and contain such provisions, consistent with this Act, as the Commission shall prescribe; and shall be as simple and concise as possible. Any mortgage shall contain terms which will place the United States in the same position, with respect to any mortgages it may hold under the provisions of chapter 6, as that occupied by a private lender under the applicable State laws for the relief of mortgagors with respect to deficiency judgments.

SEC. 114. EVIDENCE.—A deed, lease, contract, or other instrument executed by or on behalf of the Commission purporting to transfer title or any other interest in property disposed of pursuant to this Act shall be conclusive evidence of compliance with the provisions of this Act and rules and regulations promulgated thereunder, insofar as con-

¹ Executive Order 10657 delegated sales and financing functions with respect to residential and certain other properties to the Housing and Home Finance Administrator (now Secretary of Housing and Urban Development).

² Repealed by the Atomic Energy Act of 1977 Amendments, Public Law 95-110, approved September 20, 1977.

cerns title or other interest of any bona fide grantee or transferee for value without notice of lack of such compliance, and his successors in title.

SEC. 115. ADMINISTRATIVE REVIEW.—Determinations authorized by this Act to be made by the Commission as to classification, priorities, prices, and terms and conditions of sale of property disposed under this Act shall be subject to review only in accordance with such provisions for administrative review or reconsideration as the Commission may prescribe.

SEC. 116. REPOSSESSION.—The Commission is authorized to repossess any property sold by it in accordance with the terms of any contract to purchase, mortgage or other instrument, and to sell or make any other disposition of any property so repossessed and any property purchased by it pursuant to section 66.¹ Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, the Commission shall have power to deal with, complete, operate, rent, renovate, modernize, insure, or sell for cash or credit, in its discretion, any properties acquired pursuant to this Act, and to pursue to final collection, by way of compromise or otherwise, all claims arising pursuant to this section: *Provided*, That expenses authorized by this section shall be considered nonadministrative expenses: *Provided further*, That section 3709 of the Revised Statutes shall not apply to any contract entered into pursuant to this section if the amount thereof does not exceed \$1,000.

SEC. 117² a.—There is hereby established as of June 30, 1956, a Community Disposal Operations Fund, and the Commission (or the head of such agency as may be carrying out the sales and financing functions of the Commission pursuant to a delegation by the President under section 101 of this Act) is authorized to credit said fund with all moneys hereafter obtained or now held by it and to account under said fund for all assets and liabilities held or acquired by it in connection with its sales and financing functions under this Act, and to make temporary advances to such fund, from any other funds available for expenses of operations of such Commission or agency, as may be required to carry out such functions pending the realization of sufficient proceeds under the provisions of this Act: *Provided*, That any such advances shall be repaid to the source appropriation or fund, to the extent of any unobligated balances available in the Community Disposal Operations Fund, prior to the close of the fiscal year during which such advances are made.

b. The Community Disposal Operations Fund shall be available to pay for all necessary costs, expenses (including administrative expenses), losses or obligations incurred in connection with the aforesaid functions, including expenses incident to sale, or other transfer and any financing under section 62, indemnities under sections 63 through

¹ This sentence added by sec. 3 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 658.

² Sec. 117 amended to read as set forth in the text by sec. 4 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 653, 654. Prior to amendment sec. 117 read as follows: "The net proceeds derived by the Commission from the disposal of property pursuant to this Act, after defraying expenses incident to appraisal, sale or other transfer and any financing under section 62, shall be covered into the Treasury. Annually, upon advice of the Commission, there shall be transferred to miscellaneous receipts of the Treasury such portion of such net proceeds as may no longer be needed to meet the contingent obligations provided for in subsection 118c."

66, and expenses authorized by section 116 of this Act, and expenses in connection with the defense and payment of any claims for breaches of warranties and covenants of title of any property disposed of pursuant to this Act.

c. Any amount in said fund which is determined to be in excess of requirements for the purposes thereof shall be declared and paid as liquidating dividends to the Treasury, not less often than annually.

SEC. 118. APPROPRIATIONS.—

a.¹ No appropriation shall be made to carry out the provisions and purposes of this Act unless previously authorized by legislation enacted by Congress.

b. There are authorized to be appropriated the sum of \$518,000 at Oak Ridge, the sum of \$2,215,000² at Richland and the sum of \$8,719,000³ at Los Alamos for construction, modification, or expansion of municipal installations and utilities authorized to be transferred pursuant to chapter 7 and chapter 8 of this Act.

c. As much as may be necessary of net proceeds from section 117 are hereby appropriated and made available for use by the Commission (without fiscal year limitations) to pay any costs, losses, expenses, or obligations incurred by the Commission in connection with obligations entered into pursuant to section 37 or section 63, with repossession or repurchase, rehabilitation, and further disposition pursuant to sections 63 through 66 and section 116, and with the defense and payment of any claims for breaches of warranties and covenants of title of any property disposed of pursuant to this Act, Repealed.⁴

SEC. 119. SEPARABILITY OF PROVISIONS.—If any provisions of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

* * * * *

SEC. 120.⁵ DISPOSAL OF PROPERTY.—In addition to any other authority the Commission may have, the Commission is authorized, without regard to the provisions of section 3709 of the Revised Statutes, as amended, to lease land, and to sell, lease, including leases with options to purchase, and otherwise dispose of improvements thereon, and such equipment and other personal property as is determined to be directly related thereto, in the Commission's Hanford project in and near Richland, Washington, upon a determination by the Commission that such disposition will serve to prevent or reduce the adverse economic impact of actual or anticipated reductions in Commission programs in that

¹ Immediately prior to amendment by sec. 4 of Public Law 90-190, approved December 14, 1967, 81 Stat. 576, 577, subsec. a, authorized to be appropriated "such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act."

² Increased from \$2,165,000 to \$2,215,000 by sec. 6 of Public Law 802, 84th Congress, approved July 25, 1956, 70th Stat. 654.

³ Sec. 24 of Public Law 87-719, approved September 28, 1962, 76 Stat. 666, amended subsec. b, by inserting "and the sum of \$8,719,000 at Los Alamos". Sec. 24 further amended the remainder of this subsection by inserting "and utilities" following "municipal installations" and added the reference to ch. 7.

⁴ Section 118 c repealed by sec. 5 of Public Law 802, 84th Congress, approved July 25, 1956, 70 Stat. 654.

⁵ Added by sec. 4 of Public Law 88-394, approved August 1, 1964, 78 Stat. 376.

area: *Provided, however*, That the compensation to the Government for any such disposition shall be the estimated fair market value or estimated fair rental value of the property as determined by the Commission: *Provided further*, That before the Commission makes any disposition of property under the authority of this section, the basis for the proposed disposition (with necessary background and explanatory data) shall be submitted to the Joint Committee on Atomic Energy, and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment of more than three days): *Provided, however*, That the Joint Committee on Atomic Energy, after having received the basis for the proposed disposition, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five-day period.

Approved August 4, 1955.

Executive Order 10657¹

[21 Fed. Reg. 1063]

TRANSFERRING TO THE HOUSING AND HOME FINANCE ADMINISTRATOR
CERTAIN FUNCTIONS OF THE ATOMIC ENERGY COMMISSION UNDER
THE ATOMIC ENERGY COMMUNITY ACT OF 1955

By virtue of the authority vested in me by the Atomic Energy Community Act of 1955 (69 Stat. 471), hereinafter called the Act,² and particularly by section 101 thereof, and as President of the United States, it is ordered as follows:

SECTION. 1. These are hereby transferred to the Housing and Home Finance Administrator (hereafter called the Administrator) all of the functions, duties, and responsibilities of the Atomic Energy Commission (hereinafter called the Commission) under sections 34 to 36, inclusive, sections 51 to 55, inclusive, section 557, sections 61 to 66, inclusive, and section 116, of the Act and³ under the third sentence of section 32 of the Act, with the following exceptions and qualifications:

(a) The Commission shall retain the power and duty of, and the responsibility for, (i) determining the property to be offered for disposal pursuant to section 52, the improvements to be designated as eligible for a credit under subsection 36a and 36b, the⁴ extent to which a lessee has been previously compensated for improvements under subsection 36a, and the provisions and procedures to be adopted pursuant to subsections 55b to 55e, inclusive, and (ii) removing or transferring property pursuant to subsections 52a(1) and 52a(2).

¹ Executive Order 10657 amended by Executive Order 10734, issued October 17, 1957, 22 Fed. Reg. 8275.

² Sec. 2 of Executive Order 10734, issued October 17, 1957, 22 Fed. Reg. 8275, provided that each reference to "the Act" in Executive Order 10657, as amended, shall be deemed to include, except as may be appropriate, a reference to the Atomic Energy Community Act of 1955, as amended.

³ Sec. 1 of Executive Order 10734, issued October 17, 1957, 22 Fed. Reg. 8275, inserted "and under the third sentence of sec. 32 of the Act".

⁴ Sec. 1 of Executive Order 10734, issued October 17, 1957, 22 Fed. Reg. 8275, inserted "the extent to which a lessee has been previously compensated for improvements under subsection 36a, and".

(b) The Commission shall retain such duties and responsibilities under section 57a as it shall specify and give notice thereof to the Administrator.

(c)¹ The Administrator may reimburse the Federal Housing Commissioner, under the aforesaid third sentence of section 32 of the Act, from the Community Disposal Operations Fund established under section 117 of the Act.

SEC. 2. There shall be transferred to the Administrator, who shall thereafter exercise full jurisdiction in connection therewith, all interests, rights, powers, duties, and responsibilities of the United States, including any interests, powers, rights, duties, and responsibilities of the Commission under the Act or any act, with respect to the following (except such interests, powers, rights, duties, and responsibilities as the Commission and the Administrator may mutually agree shall be retained by the Commission):

(a) The property designated for disposal by the Commission pursuant to section 52 of the Act, including all interests, powers, rights, duties, and responsibilities arising as a result of deeds executed by the Commission pursuant to the provisions of subsection 57a of the Act.

(b) The deeds for church land and the deed to the State of Tennessee for National Guard purposes, executed by the Commission pursuant to the Atomic Energy Act of 1946, as amended, or the Atomic Energy Act of 1954, as amended.

SEC. 3. The transfers specified in section 2 hereof shall be effective:

(a) As to each parcel of property offered for disposal pursuant to the provisions of section 52 of the Act on the date the Administrator executes a deed as provided in section 55, or a contract to purchase as provided in section 61, with respect to each such parcel of property; and

(b) In the case of deeds executed by the Commission pursuant to the provisions of subsection 57a of the Act, or referred to under subsection 2(b) of this order, on the date of this order or the execution of such deeds, whichever is later.

SEC. 4. To the extent necessary or appropriate to enable him to perform or exercise the functions, duties, and responsibilities transferred to him by this order, the Administrator, and such officers or employees to whom he may delegate authority with respect to such functions, duties, and responsibilities, may perform or exercise any of the functions, duties, or responsibilities conferred upon the Commission by the Act, including, specifically, chapter 11 thereof. Any funds derived by the Commission from the disposal of property under the Act, including funds derived from the disposal of property under subsection 57a of the Act, shall be transferred to the Administrator, but shall otherwise remain subject to the provisions of section 117 and subsection 118c of the Act.

SEC. 5. The Commission and the Administrator shall keep each other currently advised as to action taken pursuant to the Act, shall consult with each other on all matters arising under the Act or this order which either agency deems to be of mutual concern, and may jointly agree upon such further measures, not inconsistent with the Act

¹ Sec. 1 of Executive Order 10734, issued October 17, 1957, 22 Fed. Reg. 8275, inserted par. (c).

or this order, as will promote the expeditious and effective accomplishment of the policy and purposes of the Act.

SEC. 6. Executive Order No. 9816 of December 31, 1946, is hereby amended to the extent that it may be inconsistent with this order.

SEC. 7. Nothing in this order shall invalidate any action taken by the Commission prior to the effective date of this order, or impair or affect any outstanding obligations or contracts of the Commission, or impair any power or authority of the Commission with respect to functions not transferred by or pursuant to this order. No person affected by any action taken by either the Commission or the Administrator, or by any person acting under authority delegated to him consonant with law, shall be entitled to challenge the validity thereof or otherwise excuse his action or failure to act on the grounds that pursuant to the provisions of this order such action was within the jurisdiction of the Commission rather than the Administrator, or vice versa.

SEC. 8.¹ Nothing in this order shall be applicable to the community of Los Alamos, New Mexico.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 14, 1956.*

Executive Order 11105

[28 Fed. Reg. 3909]

TRANSFERRING TO THE HOUSING AND HOME FINANCE ADMINISTRATOR CERTAIN FUNCTIONS OF THE ATOMIC ENERGY COMMISSION UNDER THE ATOMIC ENERGY COMMUNITY ACT OF 1955

By virtue of the authority vested in me by the Atomic Energy Community Act of 1955 (69 Stat. 471), as amended, (hereinafter called the Act) and particularly by Section 101 thereof, and as President of the United States, it is ordered as follows:

SECTION 1. The provisions of Sections 2 to 8, inclusive, of this order shall be applicable to the community of Los Alamos, New Mexico, but shall not be applicable to the community of Oak Ridge, Tennessee, or to the community of Richland, Washington.

SEC. 2. There are hereby transferred to the Housing and Home Finance Administrator (hereinafter called the Administrator) all of the functions, duties, and responsibilities of the Atomic Energy Commission (hereinafter called the Commission) (i) under Sections 34 to 36, inclusive, Sections 51 to 55, inclusive, Section 57, Sections 61 to 66, inclusive, and Section 116 of the Act, (ii) under the last sentence of Section 56 of the Act and (iii) with respect to sales of apartment buildings to cooperatives under Section 58 of the Act, with the following exceptions and qualifications:

(a) The Commission shall retain the power and duty of, and the responsibility for, (i) determining the property to be offered for disposal pursuant to Section 52 of the Act, including the timing thereof,

¹ This section added by sec. 9 of Executive Order 11105, issued April 18, 1963, 28 Fed. Reg. 3909.

the improvements to be designated as eligible for a credit under subsections 36a and 36b, the extent to which a lessee has been previously compensated for improvements under subsection 36a, and the provisions and procedures to be adopted pursuant to subsections 55b to 55e, inclusive, and (ii) removing, transferring or designating property pursuant to subsections 52a (1), 52a (2), and 52a (3).

(b) The Commission shall retain all duties functions and responsibilities under subsection 57b of the Act, both as to existing lots and lots developed or to be developed under the Act or any other Act, except as the Commission and the Administrator may mutually agree should be transferred to the Administrator.

SEC. 3. There shall be transferred to the Administrator, who shall thereafter exercise full jurisdiction in connection therewith, all interests, rights, powers, duties, and responsibilities of the United States, including any interests, rights, powers, duties, and responsibilities of the Commission under the Act or any act (except such interests, rights, powers, duties, and responsibilities as the Commission and the Administrator may mutually agree shall be retained by the Commission), with respect to the property designated by the Commission for disposal by the Administrator, pursuant to Section 52 of the Act.

SEC. 4. The transfers specified in Section 3 hereof shall be effective as to each parcel of property offered for disposal pursuant to Section 52 of the Act on the date the Administrator executes a deed as provided in Section 55, or a contract to purchase as provided in Section 61, with respect to each such parcel of property.

SEC. 5. To the extent necessary or appropriate to enable him to perform or exercise the functions, duties, and responsibilities transferred to him by this order, the Administrator, and such officers or employees to whom he may delegate authority with respect to such functions, duties, and responsibilities, may perform or exercise any of the functions, duties, or responsibilities conferred upon the Commission by the Act, including, specifically, Chapter 11 thereof. Any funds derived by the Commission from the disposal of property under the Act including funds derived from the disposal of property under subsection 57b of the Act, shall be transferred to the Administrator, but shall otherwise remain subject to the provisions of Section 117 of the Act.

SEC. 6. The Commission and the Administrator shall keep each other currently advised as to action taken pursuant to the Act, shall consult with each other on all matters arising under the Act or this order which either agency deems to be of mutual concern, and may jointly agree upon such further measures, not inconsistent with the Act or this order, as will promote the expeditious and effective accomplishment of the policy and purposes of the Act.

SEC. 7. Executive Order No. 9816 of December 31, 1946, is hereby amended to the extent that it may be inconsistent with this order.

SEC. 8. Nothing in this order shall invalidate any action taken by the Commission prior to the effective date of this order, or impair or affect any outstanding obligations or contracts of the Commission, or impair any power or authority of the Commission with respect to functions not transferred by or pursuant to this order. No person affected by any action taken by either the Commission or the Administrator,

or by any person acting under authority delegated to him consonant with law, shall be entitled to challenge the validity thereof or otherwise excuse his action or failure to act on the grounds that pursuant to the provisions of this order such action was within the jurisdiction of the Commission rather than the Administrator, or vice versa.

SEC. 9. Executive Order No. 10657 of February 14, 1956, as amended, is hereby further amended by adding at the end thereof a new Section 8, reading as follows:

"SEC. 8. Nothing in this order shall be applicable to the community of Los Alamos, New Mexico."

JOHN F. KENNEDY.

THE WHITE HOUSE, *April 18, 1963.*

PROPERTY AND CRIME INSURANCE

EXCERPT FROM NATIONAL INSURANCE DEVELOPMENT ACT OF 1975

[Public Law 94-13, 89 Stat. 68, 12 U.S.C. 1749bbb note]

AN ACT To continue the national insurance development program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Insurance Development Act of 1975".

SECTION 1. (a) The Congress finds that (1) under the Housing and Urban Development Act of 1968 (Public Law 90-448, approved August 1, 1968), as amended, the powers of the Secretary of the Department of Housing and Urban Development to enter into new reinsurance contracts with respect to the Federal riot reinsurance program and into new direct insurance contracts with respect to the Federal crime insurance program will terminate on April 30, 1975, except to the extent necessary (a) to continue policies of direct insurance and reinsurance, until April 30, 1978, (b) to handle claims and those arising under the policies still in force on the termination date of the program, and (c) to complete the liquidation and termination of the reinsurance and direct insurance programs; (2) continuation of the Federal riot reinsurance program is essential both to the operation of the system of State FAIR plans, which provide access for many people to basic property insurance not otherwise available in urban areas, and to the continued existence of such FAIR plans inasmuch as many State laws condition the very existence of such FAIR plans upon the continued existence of the Federal riot reinsurance program; (3) continuation of the Federal crime insurance program, which provides access for many homeowners, tenants, and small businessmen to burglary, robbery, and similar coverages in States where an insurance coverage availability problem exists, is likewise essential; (4) withdrawal at this time of the Federal support which these programs give to the insurance buying public and the insurers would be particularly ill timed and inadvisable in view of the (a) threatening major shortage of voluntary insurance facilities to which the consumer can turn to fulfill his insurance purchase needs and (b) the potential for insurer insolvencies inherent in times of economic stress; and (5) the impending tightening of the availability of insurance coverage in the insurance market will only intensify due to the present economic conditions confronting insurers, which affect the capital adequacies of insurers due to severe declines in the values of insurers' securities portfolios, thus impacting on their ability to increase their underwritings in a growing insurance market.

(b) The purpose of this Act, therefore, is to extend the duration of the national insurance development program so as to maintain the Federal riot reinsurance program which reinsures the general property insurance business against the catastrophic peril of riot and, thus,

makes this insurance available, together with its review and compliance function which assures that the intent of the Housing and Urban Development Act of 1968 (Public Law 90-448, approved August 1, 1968) as amended is carried out, as well as the Federal crime insurance program which provides basic crime insurance coverages in the States where it is needed, both of which programs aid the insurance purchasing consumer when, from time to time and especially in times such as these, insurers engage in conscious policies of market constriction which lead to serious inner-city insurance availability problems of the kind the national insurance development program has been created to ameliorate.

* * * * *

Approved April 8, 1975.

EXCERPTS FROM THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

[Public Law 90-448, 82 Stat. 476; 12 U.S.C. 1749bbb, 42 U.S.C. 4011]

TITLE XI—URBAN PROPERTY PROTECTION AND REINSURANCE

SHORT TITLE

SEC. 1101. This title may be cited as the “Urban Property Protection and Reinsurance Act of 1968.”

FINDINGS AND DECLARATION OF PURPOSE

SEC. 1102. (a) The Congress finds that (1) the vitality of many American cities is being threatened by the deterioration of their inner city areas; responsible owners of well-maintained residential, business, and other properties in many of these areas are unable to obtain adequate property insurance coverage against fire, crime, and other perils; the lack of such insurance coverage accelerates the deterioration of these areas by discouraging private investment and restricting the availability of credit to repair and improve property therein; and this deterioration poses a serious threat to the national economy; (2) recent riots and other civil commotion in many American cities have brought about abnormally high losses to the private property insurance industry for which adequate reinsurance cannot be obtained at reasonable cost, and the risk of such losses will make most lines of property insurance even more difficult to obtain; (3) the capacity of the private property insurance industry to provide adequate insurance is threatened, and the continuity of such property insurance protection is essential to the extension of credit in these areas; and (4) the national interest demands urgent action by the Congress to assure that essential lines of property insurance, including lines providing protection against riot and civil commotion damage will be available to property owners at reasonable cost.

(b) The purposes of this title are, therefore, to (1) encourage and assist the various State insurance authorities and the property insur-

ance industry to develop and carry out statewide programs which will make necessary property insurance coverage against the fire, crime, and other perils more readily available for residential, business, and other properties meeting reasonable underwriting standards; (2) provide a Federal program of reinsurance against abnormally high property insurance losses resulting from riots and other civil commotion, placing appropriate financial responsibility upon the States to share in such losses; and (3)¹ provide direct insurance through the facilities of the Federal Government in the case of properties for which statewide programs and the Federal reinsurance program either do not make crime insurance available or offer such insurance to property owners only at prohibitive cost.

AMENDMENT OF THE NATIONAL HOUSING ACT

SEC. 1103. The National Housing Act is amended by adding at the end thereof the following new title:

TITLE XII²—NATIONAL INSURANCE DEVELOPMENT PROGRAM

PROGRAM AUTHORITY

SEC. 1201. (a) The Secretary is authorized to establish and carry out the programs provided for in parts A, B, C, and D of this title.

(b) (1) The powers of the Secretary under this title shall terminate on September 30, 1980³ except to the extent necessary—

¹ Sec. 601, Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1788, inserted clause (3).

² Sec. 1103, Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 556, added Title XII. Sec. 602(a), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1788, amended section 1201 of title XII to provide new program authority for the direct crime insurance program, and to extend title XII from April 30, 1973, to April 30, 1975, except to the extent necessary to continue reinsurance and direct crime insurance from April 30, 1976, to April 30, 1978. Sec. 602(a), Housing and Urban Development Act of 1970, supra, also extended from April 30, 1976, to April 30, 1978, or as soon thereafter as possible, the date for the Secretary to submit to the Congress for its approval a plan for the liquidation and termination of the reinsurance and direct insurance programs. Sec. 1102 of the 1968 Act made the following findings and declaration of purpose with respect to Title XII:

SEC. 1102. (a) The Congress finds that (1) the vitality of many American cities is being threatened by the deterioration of their inner city areas; responsible owners of well-maintained residential, business, and other properties in many of these areas are unable to obtain adequate property insurance coverage against fire, crime, and other perils; the lack of such insurance coverage accelerates the deterioration of these areas by discouraging private investment and restricting the availability of credit to repair and improve property therein; and this deterioration poses a serious threat to the national economy; (2) recent riots and other civil commotion in many American cities have brought about abnormally high losses to the private property insurance industry for which adequate reinsurance cannot be obtained at reasonable cost, and the risk of such losses will make most lines of property insurance even more difficult to obtain; (3) the capacity of the private property insurance industry to provide adequate insurance is threatened, and the continuity of such property insurance protection is essential to the extension of credit in these areas; and (4) the national interest demands urgent action by the Congress to assure that essential lines of property insurance, including lines providing protection against riot and civil commotion damage will be available to property owners at reasonable cost.

(b) The purposes of this title are, therefore, to (1) encourage and assist the various State insurance authorities and the property insurance industry to develop and carry out statewide programs which will make necessary property insurance coverage against the fire, crime, and other perils more readily available for residential, business, and other properties meeting reasonable underwriting standards; and (2) provide a Federal program of reinsurance against abnormally high property insurance losses resulting from riots and other civil commotion, placing appropriate financial responsibility upon the States to share in such losses.

³ Sec. 2 of Public Law 94-13, 89 Stat. 68, approved April 8, 1974, substituted "April 30, 1977" for "April 30, 1975".

Amended by the Supplemental Housing Authorization Act of 1977, Public Law 95-24, approved October 12, 1977, by inserting "September 30, 1978" in lieu of "April 30, 1977". Extended through September 30, 1980 by Sec. 307(a), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

(A) to continue reinsurance and direct insurance in accordance with the provisions of sections 1223(b) and 1231(c) until September 30, 1983;¹

(B) to process, verify, and pay claims for reinsured losses and directly insured losses and perform other necessary functions in connection therewith; and

(C) to complete the liquidation and termination of the reinsurance and direct insurance programs.

(2) On September 30, 1981,² or as soon thereafter as possible, the Secretary shall submit to the Congress, for its approval, a plan for the liquidation and termination of the reinsurance and direct insurance programs.

ADVISORY BOARD; MEETINGS, DUTIES, COMPENSATION, AND EXPENSES

SEC. 1202. (a) (1) There is established an Advisory Board (hereinafter called the "Board") consisting of nineteen members appointed by the Secretary. Members of the Board shall be selected from among representatives of the general public, the insurance industry, State and local governments including State insurance authorities, and the Federal Government. Of these members of the Board, not more than six shall be regular full-time employees of the Federal Government, and not less than four shall be representatives of the private insurance industry and not less than four shall be representatives of State insurance authorities.

(2) The Secretary shall designate a Chairman and a Vice Chairman of the Board.

(3) Each member shall serve for a term of two years, or until his successor has been appointed, except that no person who is appointed while a full-time employee of a State or the Federal Government shall serve in such position after he ceases to be so employed, unless he is reappointed.

(4) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term.

(b) The Chairman shall preside at all meetings, and the Vice Chairman shall preside in the absence or disability of the Chairman. In the absence of both the Chairman and Vice Chairman, the Secretary may appoint any member to act as Chairman pro tempore. The Board shall meet at such times and places as it or the Secretary may fix and determine, but shall hold at least four regularly scheduled meetings a year. Special meetings may be held at the call of the Chairman or any three members of the Board, or at the call of the Secretary.

(c) The Board shall review general policies and shall advise the Secretary with respect thereto, and perform such other functions as are specified in this title.

(d) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States, and such members, except those who are regular full-time employees of the

¹ Amended by section 104(a)(2) of the Supplemental Housing Authorization Act of 1977, Public Law 95-24, approved April 30, 1977, by deleting "April 30, 1978" and inserting in lieu thereof "September 30, 1981". Extended through September 30, 1983 by Sec. 307(a), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

² Amended by section 104(a)(3) of the Supplemental Housing Authorization Act of 1977, Public Law 95-24, approved April 30, 1977, by deleting "April 30, 1977" and inserting in lieu thereof "September 30, 1978". Extended through September 30, 1981 by Sec. 307(a), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

Government, shall receive for their services, as members, the per diem equivalent to the rate for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, when engaged in the performance of their duties, and each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of such title for persons in the Government service employed intermittently.

DEFINITIONS

SEC. 1203. (a)¹ When used in this title, unless the context otherwise requires, the term—

(1) “affordable rate” means such premium rate as the Secretary determines would permit the purchase of a specific type of insurance coverage by a reasonably prudent person in similar circumstances with due regard to the costs and benefits involved;

(2) “crime insurance” means insurance against losses resulting from robbery, burglary, larceny, and similar crimes, and may include broad form personal theft insurance, mercantile open stock insurance, mercantile robbery and mercantile safe burglary insurance, storekeepers burglary and robbery insurance, office burglary and robbery insurance, and may include business interruption insurance as the Secretary may designate; the term does not include automobile insurance or losses resulting from embezzlement;

(3) “directly insured losses” means losses on direct insurance claims and all direct expenses incurred in connection therewith, including but not limited to expenses for processing, verifying, and paying such losses;

(4) “environmental hazard” means any hazardous condition that might give rise to loss under an insurance contract, but which is beyond the control of the property owner;

(5) “essential property insurance” means insurance against direct loss to property as defined and limited in standard fire policies and extended coverage endorsement thereon, as approved by the State insurance authority, and insurance for such types, classes, and locations of property against the perils of vandalism, malicious mischief, burglary, or theft, as the Secretary by rule shall designate. Such insurance shall not include automobile insurance and shall not include insurance on such types of manufacturing risks as may be excluded by the State insurance authority;

(6) “inspection facility”, with respect to any State, means any rating bureau or other person designated by the State insurance authority to perform inspections under fair access to insurance requirements plans under part A;

(7) “insurer” includes any insurance company or group of companies under common ownership which is authorized to engage in the insurance business under the laws of any State;

(8) “pool” means any pool or association of insurance companies in any State which is formed, associated, or otherwise cre-

¹ Sec. 1201(b), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1788, inserted new paragraphs (1), (2), and (3), and redesignated the former paragraphs (1) through (13) as paragraphs (4) through (16), respectively.

ated for the purpose of making property insurance more readily available;

(9) "losses resulting from riots or civil disorders" means losses resulting from riots or civil disorders under policies for standard lines of property insurance for which reinsurance is offered under section 1221, as determined under regulations of the Secretary;

(10) "property owner", with respect to any real, personal, or mixed real and personal property, means any person having an insurable interest in such property;

(11) "person" includes any individual or group of individuals, corporation, partnership, or association, or any other organized group of persons;

(12) "reinsured losses" means losses on reinsurance claims and all direct expenses incurred in connection therewith including, but not limited to, expenses for processing, verifying, and paying such losses;

(13) "standard line of property insurance" includes—

(A) fire and extended coverage;

(B) vandalism and malicious mischief;

(C) other allied lines of fire insurance;

(D) burglary and theft;

(E) those portions of multiple peril policies covering perils similar to those provided for in subparagraphs (A), (B), (C), and (D);

(F) inland marine;

(G) glass;

(H) boiler and machinery;

(I) ocean marine;

(J) aircraft physical damage; and

(K) such other lines generally offered to the public which include protection against damage from riot or civil commotion as the Secretary by regulation may designate;

(14) "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions, and the Trust Territory of the Pacific Islands;

(15) "urban area" includes any municipality or other political subdivision of a State, subject to population or other limitations defined in rules and regulations of the Secretary and such additional areas as may be designated by the State insurance authority; and

(16) "year" means a calendar year, fiscal year of a company, or such other period of twelve months as may be designated by the Secretary.

(b) The Secretary is authorized to define, by rules and regulations, any technical or trade term, insofar as such definition is not inconsistent with the provisions of this title.

PART A—STATEWIDE PLANS TO ASSURE FAIR ACCESS TO INSURANCE REQUIREMENTS

FAIR PLANS

SEC. 1211. (a) Each insurer reinsured under this title shall cooperate with the State insurance authority in each State in which it is

to acquire such reinsurance in establishing and carrying out statewide plans to assure fair access to insurance requirements (FAIR plans).

(b) Such plans must be approved by, and administered under the supervision of, the State insurance authority, or be authorized or required by State law, and shall be designed to make essential property insurance more readily available in, but not necessarily limited to, urban areas. Such plans may vary in detail from State to State because of local conditions, but all plans shall contain provisions that—

(1) no risk shall be written at surcharged rates or be denied insurance coverage for essential property insurance unless there has first been an inspection of the risk, without cost to the owner, by an inspection facility and a determination by the insurer, based on information in the inspection report and other sources, that the risk does not meet reasonable underwriting standards at the applicable premium rate;

(2) inspection under the plan may be requested by the property owner or his representative, the insurer, or the insurance agent, broker or other producer, and such requests need not be made in writing;

(3) the absence of a building owner or his representative during an inspection shall not preclude a tenant seeking insurance from obtaining an inspection under the plan;

(4) following the inspection, a copy of the inspection report shall be promptly sent by the inspection facility to the insurer or insurers, or to an all-industry placement facility referred to under section 1212, as may be designated by the person requesting the inspection;

(5) after the inspection report is received by an insurer, it shall promptly determine if the risk meets reasonable underwriting standards at the applicable premium rate, and shall promptly return to the inspection facility the inspection report and provide an action report setting forth—

(A) (i) the amount of coverage it agrees to write; and if the insurer agrees to write the coverage with a surcharge (if such a surcharge is authorized by the State insurance authority), the improvements necessary before it will provide coverage at an unsurcharged premium rate; and

(ii) the amount of coverage it agrees to write if certain improvements specified in the action report are made; or

(B) the specific reasons it declines to write coverage;

(6) if the insurer declines the risk, or agrees to write the coverage sought on condition that the property will be improved, it shall also promptly send a copy of both the inspection and action reports to the property owner and the State insurance authority, and at the time the insurer sends such reports to the property owner, it shall also explain his right, under applicable State laws, to appeal the decision of the insurer to the State insurance authority, setting forth the procedures to be followed for such appeal;

(7) all policies written pursuant to the plan shall be promptly written after inspection or reinspection and shall be separately coded so that appropriate records may be compiled for purposes

of performing loss prevention and other studies of the operation of the plan;

(8) the inspection facility shall submit to the State insurance authority and to the Secretary periodic reports setting forth information, by individual insurers, including the number of risks inspected under the plan, the number of risks accepted, the number of risks conditionally accepted and reinspections made, the number or risks declined, and such other information as the State insurance authority may request;

(9) ¹ notice will be given to any policyholder a reasonable time prior to the cancellation or nonrenewal of any risk eligible under the plan (except in case of nonpayment of premium or evidence of incendiarism), to allow ample time for an application for new coverage to be made and a new policy to be written under the plan, and the insurer shall, in writing, explain to the policyholder the procedures for obtaining an inspection under the plan in the notice of cancellation or nonrenewal;

(10) ² a continuing public education program will be undertaken by the participating insurers, agents, and brokers to assure that the plan receives adequate public attention; and

(11) ² Notwithstanding any other provision of this section, on and after January 3, 1979, no risk within the plan shall be insured at a rate higher than the rates or advisory rates set by the principal State-licensed rating organization for essential property insurance in the voluntary market; except that this provision shall not be deemed to prohibit the application to any such risk, on a nondiscriminatory basis, of condition charges for substandard physical conditions within the control of the applicant for insurance as set by the principal State-licensed rating organization for the voluntary market.

(c) ³ At least one-third of the voting members of every board of directors, board of governors, advisory committee, and other governing or advisory board or committee for each plan described in subsection (b) shall be individuals who are not employed by, or otherwise affiliated with, insurers, insurance agents, brokers, producers, or other entities of the insurance industry.

ALL-INDUSTRY PLACEMENT FACILITY

SEC. 1212. Any plan under this part shall include an all-industry placement facility doing business with every insurer participating in the plan in the State, and shall provide that this facility shall perform certain functions including, but not limited to, the following:

(1) seeking, upon request by or on behalf of any property owner requesting an inspection under the plan, to distribute the risks involved equitably among the insurers with which it is doing business; and

(2) seeking to place insurance up to the full insurable value of the risk to be insured with one or more insurers with which it is doing business, except to the extent that deductibles, percentage participation clauses, and other underwriting devices are employed to meet special problems of insurability.

¹ Amended technically by Sec. 307(c), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

² Added by Sec. 307(c), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

³ Added by Sec. 307(b), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

INDUSTRY COOPERATION

SEC. 1213. (a) Each insurer seeking reinsurance, under this title shall file a statement with the State insurance authority in each State in which it is participating in a plan under this part, pledging its full participation and cooperation in carrying out the plan, and shall file a copy of such statement with the Secretary.

(b) No insurer acquiring reinsurance under this title shall direct any agent or broker or other producer not to solicit business through such a plan, nor shall any agent, broker, or other producer be penalized by such insurer in any way for submitting applications for insurance to an insurer under the plan.

PLAN EVALUATION

SEC. 1214. (a) In accordance with such rules and regulations as the Secretary may prescribe, each State insurance authority shall—

(1) transmit to the Secretary any proposed or adopted plan, or amendments thereto; and

(2) advise the Secretary, from time to time, concerning the operation of the plan, its effectiveness in providing essential property insurance, and the need to form a pool of insurers or adopt other programs to make essential property insurance more readily available in urban areas of the State.

(b) The Secretary may, after full consultation with the Board, by rules and regulations, modify the plan criteria set forth under this part, if he finds, on the basis of experience, that such action is necessary or desirable to carry out the purposes of this title. The Secretary may also, with respect to any State, waive compliance with one or more of the plan criteria, upon certification by the State insurance authority that compliance is unnecessary or inadvisable under local conditions or State law.

OFFICE OF REVIEW AND COMPLIANCE

SEC. 1215.¹ The Secretary, through an Office of Review and Compliance under the Federal Insurance Administrator, shall periodically review each plan under this part and the methods and practices by which such plan is being actually carried out in the areas and communities where it is intended to operate, in order to assure that such plan is effectively making essential property insurance readily available in such areas and communities and is otherwise carrying out the purposes of this title, and in order to identify any aspects of the operation or administration of such plan which may require revision, modification, or other action to carry out such purposes.

PART B—REINSURANCE COVERAGE

REINSURANCE OF LOSSES FROM RIOTS OR CIVIL DISORDERS

SEC. 1221. (a) (1) The Secretary is authorized to offer to any insurer

¹ Sec. 603, Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770, 1791, added sec. 1215.

or pool, subject to the conditions set forth in section 1223, reinsurance against property losses resulting from riots or civil disorders in any one or more States.

(2) Reinsurance shall be offered to any such insurer or pool only on all standard lines of property insurance enumerated under subparagraphs (A) through (E) of section 1203(a)(13) together, and any insurer or pool purchasing such reinsurance shall also be eligible, to purchase reinsurance on any one or more standard lines of property insurance enumerated under subparagraphs (F) through (J) of section 1203(a)(13) or which may be designated by regulation pursuant to subparagraph (K) of that section.

(b) Reinsurance coverage under this section may be provided immediately following the enactment of this title to any insurer or pool in any State on a temporary basis, and on such terms and conditions as may be agreed upon, and coverage under such terms and conditions may be bound with respect to any such insurer or pool by means of a written binder which shall remain in force not more than ninety days and shall expire at the earlier of either—

(1) the termination of such ninety-day period, or

(2) the effective date of any governing contract, agreement, treaty, or other arrangement entered into between the insurer or pool and the Secretary under section 1222 for the purpose of providing reinsurance coverage against losses resulting from riots or civil disorders.

(c) No reinsurance shall be offered to any insurer or pool in a State after the expiration of the written binder entered into under subsection (b), unless there is in effect in such State a plan as set forth under part A and the insurer or pool is participating in such plan, and unless, in the case of an insurer in a State where a pool has been established pursuant to State law, the insurer is participating in such a pool.

REINSURANCE AGREEMENTS AND PREMIUMS

SEC. 1222. (a) During the first year following the date of the enactment of this title, the Secretary is authorized to enter into any contract, agreement, treaty, or other arrangement with any insurer or pool for reinsurance coverage, in consideration of payment of such premiums, fees, or other charges by insurers or pools which the Secretary, after full consultation with the Board, deems to be adequate to obtain aggregate reinsurance premiums for deposit in the National Insurance Development Fund established under section 1243 in excess of the estimated amount of insured riot losses during the calendar year 1967, on the assumption that a substantial proportion of the property insurance written will be reinsured under this title, and thereafter the Secretary may increase or decrease such premiums for reinsurance if it is found after full consultation with the Board and the National Association of Insurance Commissioners that such action is necessary or appropriate to carry out the purposes of this title.

(b) Reinsurance offered under this title shall reimburse an insurer or pool for its total proved and approved claims for covered losses resulting from riots or civil disorders during the term of the reinsurance contract, agreement, treaty, or other arrangement, over and above the amount of the insurer's or pool's retention of such losses as provided

in such reinsurance contract, agreement, treaty, or other arrangement entered into under this section.

(c) Such contracts, agreements, treaties, or other arrangements may be made without regard to section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665(a)), and shall include any terms and conditions which the Secretary deems necessary to carry out the purposes of this title. The premium rates, terms, and conditions of such contracts with insurers or pools, throughout the country, in any one year shall be uniform.

(d) Any contract, agreement, treaty, or other arrangement for reinsurance under this section shall be for a term expiring on April 30, 1969, and on April 30 each year thereafter, except that such term shall expire on September 30, beginning in either calendar year 1977 or 1978, as determined by the Secretary.¹

CONDITIONS OF REINSURANCE

SEC. 1223. (a) Subject to the provisions of subsection (b), reinsurance shall not be offered by the Secretary in a State or be applicable to insurance policies written in that State by an insurer—

(1)² in any State which has not, after the close of the second full regular session of the appropriate State legislative body following the date of the enactment of this title, adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary for any reinsured losses in that State in any reinsurance contract year, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the calendar year immediately preceding the end of the reinsurance contract year on those lines of insurance reinsured by the Secretary in that State during the contract year, to the extent that reinsured losses paid by the Secretary for such year exceed the total of (A) reinsurance premiums earned in that State during that reinsurance contract year plus (B) the excess of (i) the total premiums earned by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent reinsurance contract year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that were incurred during such period;

(2) after thirty days following notification to the insurer that

¹ Sec. 405, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 396, deleted the remainder of this subsection (d) which read: "and shall be entered into within ninety days after the date of the enactment of this title or within ninety days prior to April 30 each year thereafter, or within ninety days after an insurer is authorized to write insurance eligible for reinsurance in a State which it was not authorized to write in the preceding year."

Subsection (d) is amended by the Supplemental Housing Authorization Act of 1977, Public Law 95-24, approved April 30, 1977, to read as set forth in the text.

² Sec. 406, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 396, amended this paragraph (1) to extend, to the close of the second full regular session of the State legislature following August 1, 1968, the time within which State legislation providing for reimbursement to the Secretary of HUD of a share of the reinsured property losses he has paid must be enacted. Immediately prior to this amendment State legislation was required for August 1, 1969, or if the State legislature had not met in regular session before that date, by the close of its next regular session. This amendment also provides for computation of the amount of State reimbursement by using as a basis the "reinsurance contract year" rather than the calendar year.

the Secretary finds (after consultation with the State insurance authority) that there has not been adopted by the State, or the property insurance industry in that State, a suitable program or programs, in addition to plans under part A, to make essential property insurance available without regard to environmental hazards, and that such action is necessary to carry out the purposes of this title; except that this paragraph shall not become effective until two years after the date of the enactment of this title, or at such earlier date as the Secretary, after consultation with the State insurance authority, may determine;

(3) after thirty days following notification to the insurer that the Secretary, or the State insurance authority, finds that such insurer is not fully participating—

(A) in the plan in the State;

(B) where it exists, in a pool; and

(C) where it exists, in any other program found by the Secretary to aid in making essential property insurance more readily available in the State:

Provided, That the Secretary shall not make any such finding with respect to any insurer unless (i) prior to making such finding the Secretary has requested and considered the views of the State insurance authority as to whether such finding should be made, or (ii) the Secretary has made such a request in writing to the State insurance authority and such authority has failed to respond thereto within a reasonable period of time after receiving such request;

(4) following a merger, acquisition, consolidation or reorganization involving one or more insurers having lines of property insurance in the State reinsured under this title and one or more insurers with or without such reinsurance, unless the surviving company—

(A) meets the criteria of eligibility for reinsurance, other than as provided under section 1222(d); and

(B) within ten days pays any reinsurance premiums due;

or

(5) upon receipt of notice from the insurer or pool that it desires to cancel its reinsurance agreement with the Secretary in the State.

(b) Notwithstanding the foregoing provisions of this section, reinsurance may be continued for the term of the policies written prior to the date of termination or nonrenewal of reinsurance under this section, for as long as the insurer pays reinsurance premiums annually in such amounts as are determined under section 1222, based on the annual premiums earned on such reinsured policies, and for the purpose of this subsection, the renewal, extension, modification, or other change in a policy, for which any additional premium is charged, shall be deemed to be a policy written on the date such change was made.

RECOVERY OF PREMIUMS; STATUTE OF LIMITATIONS

SEC. 1224. (a) The Secretary, in a suit brought in the appropriate United States district court, shall be entitled to recover from any insurer the amount of any unpaid premiums lawfully payable by

such insurer to the Secretary.

(b) No action or proceeding shall be brought for the recovery of any premium due to the Secretary for reinsurance, or for the recovery of any premium paid to the Secretary in excess of the amount due to him, unless such action or proceeding shall have been brought within five years after the right accrued for which the claim is made, except that, where the insurer has made or filed with the Secretary a false or fraudulent annual statement, or other document with the intent to evade, in whole or in part, the payment of premiums, the claim shall not be deemed to have accrued until its discovery by the Secretary.

PART C¹—FEDERAL INSURANCE AGAINST BURGLARY AND THEFT

REVIEW AND PROGRAM AUTHORITY

SEC. 1231. (a) The Secretary shall conduct a continuing review of the market availability situation in each of the several States to determine whether crime insurance is available at affordable rates either through the normal insurance market or through a suitable program adopted under State law.

(b) Upon determining pursuant to subsection (a) that, at any time on or after August 1, 1971, a critical market unavailability situation for crime insurance then exists in any State and has not been met through appropriate State action, the Secretary is authorized to make crime insurance available at affordable rates within such State through the facilities of the Federal Government. Such insurance shall be provided upon such terms and conditions, and subject to such deductibles and other restrictions and limitations, as the Secretary deems appropriate, but no such insurance shall be made available to a property which the Secretary determines to be uninsurable or to a property with respect to which reasonable protective measures to prevent loss, consistent with standards established by the Secretary, have not been adopted.

(c) Notwithstanding any other provision of this title, direct insurance may be continued for the term of the policies written prior to the date of termination of the Secretary's direct insurance authority under this part, for as long as the insured pays the required direct insurance premiums; except that direct insurance under this part for any risk shall be terminated after notice whenever the Secretary determines that the standard lines of crime insurance otherwise have become available to such property at affordable rates.

USE OF EXISTING FACILITIES AND SERVICES

SEC. 1232. In carrying out his responsibilities under this part, the Secretary may utilize—

- (1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States,

¹ Sec. 602(d), Housing and Urban Development Act of 1970, Public Law 91-609, approved December 31, 1970, 84 Stat. 1770-1789, inserted this new Part C—"Federal Insurance Against Burglary and Theft" which consists of new sections 1231 through 1234 inclusive. Sec. 602(d), Housing and Urban Development Act of 1970, supra, also redesignated the former Part C (Provisions of General Applicability) and sections 1231 through 1241 as Part D and sections 1241 through 1251, respectively.

(2) officers and employees of the Department of Housing and Urban Development, and such other officers and employees of any executive agency (as defined in section 105 of title 5 of the United States Code) as the Secretary and the head of any such agency may from time to time agree upon, on a reimbursement or other basis, or

(3) both the alternatives specified in paragraphs (1) and (2), or any combination thereof.

ESTABLISHMENT OF AFFORDABLE RATES

SEC. 1233. In estimating the affordable rates for the various crime insurance coverages offered from time to time under this part, the Secretary shall consult with appropriate State insurance authorities and other knowledgeable persons and is authorized to take into consideration the nature and degree of the risks involved, the protective devices employed, the extent of anticipated losses, the prevailing rates for similar coverages in adjacent or comparable areas and territories, the economic importance of the various individual coverages and the type of property involved, and the relative abilities of the particular classes and types of insureds to pay the full estimated costs of such coverages. Nothing in this section shall be construed to prohibit or require either the adoption of uniform national rates or the periodic modification of currently estimated affordable rates for any particular line or subline of coverage, class, State, territory, or risk on the basis of additional information or actual loss experience.

REPORTS ON OPERATIONS

SEC. 1234. The Secretary shall include in his reports to the Congress on the program authorized by this title full and complete information on his operations and activities under this part, together with such recommendations with respect thereto as he may deem appropriate.

PART D—PROVISIONS OF GENERAL APPLICABILITY

CLAIMS AND JUDICIAL REVIEW

SEC. 1241. (a) All reinsurance or direct insurance claims for losses under this title shall be submitted by insurers or property owners in accordance with such terms and conditions as may be established by the Secretary.

(b) (1) Upon disallowance of any claim under color of reinsurance or direct insurance made available under this title, or upon refusal of the claimant to accept the amount allowed upon any such claim, the claimant may institute an action against the Secretary on such claim in the United States district court for the district in which a major portion (in terms of value) of the claim arose.

(2) Any such action must be begun within one year after the date upon which the claimant received written notice of disallowance or partial disallowance of the claim, and exclusive jurisdiction is hereby conferred upon United States district courts to hear and determine such actions without regard to the amount in controversy.

FISCAL INTERMEDIARIES AND SERVICING AGENTS

SEC. 1242. (a) In order to provide for maximum efficiency in the administration of the reinsurance and direct insurance programs under this title, and in order to facilitate the expeditious payment of any funds under such program, the Secretary may enter into contracts with any insurer, pool, or other person, for the purpose of providing for the performance of any or all of the following functions:

(1) estimating or determining any amounts of payments for reinsurance or direct insurance claims;

(2) receiving and disbursing and accounting for funds in making payments for reinsurance or direct insurance claims;

(3) auditing the records of any insurer, pool, or other person to the extent necessary to assure that proper payments are made;

(4) establishing the basis of liability for reinsurance or direct insurance payments, including the total amount of proved and approved claims which may be payable to any insurer or property owner, and the total amount of premiums earned by any insurer in the respective States for reinsured or directly insured lines of property insurance; and

(5) otherwise assisting in any manner provided in the contract to further the purposes of this title.

(b) (1) Any such contract may require the insurer, pool, or other person, of any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bonds to the United States in such amounts as the Secretary may deem appropriate.

(2) In the absence of gross negligence or intent to defraud the United States—

(A) no individual designated pursuant to a contract under this section to certify payments shall be liable with respect to any payment certified by him under this section; and

(B) no officer of the United States disbursing funds shall be liable with respect to any otherwise proper payment by him if it was based on a voucher signed by an individual designated pursuant to a contract under this section to certify payments.

NATIONAL INSURANCE DEVELOPMENT FUND

SEC. 1243. (a) To carry out the programs authorized under this title, the Secretary is authorized to establish a National Insurance Development Fund (hereinafter called the "fund") which shall be available, without fiscal year limitations—

(1) to make such payments as may, from time to time, be required under reinsurance and direct insurance contracts under this title;

(2) to pay such administrative expenses as may be necessary or appropriate to carry out the purposes of this title; and

(3) to repay to the Secretary of the Treasury such sums, including interest thereon, as may be borrowed from him for purposes of such programs under section 520(b).

(b) The fund shall be credited with—

(1) reinsurance and direct insurance premiums, fees, and other

charges which may be paid or collected in connection with reinsurance and direct insurance provided under parts B and C;

(2) interest which may be earned on investments of the fund;

(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(4) such amounts which are hereby authorized to be appropriated as may be necessary from time to time to reimburse the fund for losses and expenses (including administrative expenses) incurred in carrying out the program authorized under part C;

(5) receipts from any other source which may, from time to time, be credited to the fund; and

(6) funds borrowed by the Secretary under section 520(b) and deposited in the fund.

(c) If, after any amounts which may have been advanced to the fund from appropriations have been credited to the appropriation from which advanced (including interest thereon at the rate prescribed under section 520(b)), the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

(d) An annual business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847-849)) for wholly-owned Government corporations.

RECORDS, ANNUAL STATEMENT, AND AUDITS

SEC. 1244. (a) Any insurer, pool, or property owner acquiring reinsurance or direct insurance under this title shall furnish the Secretary with such summaries and analyses of information in its records as may be necessary to carry out the purposes of this title, in such form as the Secretary, in cooperation with the State insurance authority, shall, by rules and regulations, prescribe. The Secretary shall make use of State insurance authority examination reports and facilities to the maximum extent feasible.

(b) Any insurer or pool acquiring reinsurance under this title shall file with the Secretary a true and correct copy of any annual statement, or amendment thereof, filed with the State insurance authority of its domiciliary State, at the time it files such statement or amendment with such State insurance authority.

(c) Any insurer or other person executing any contract, agreement, or other appropriate arrangement with the Secretary under section 1222 or section 1242 shall keep reasonable records which fully disclose the total costs of the programs undertaken or the services being rendered, and such other records as will facilitate an effective audit of liability for reinsurance or direct insurance payments by the Secretary.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of investigation, audit, and examination to any books, documents, papers, and records of any insurer or other person that are pertinent to the costs of any program undertaken for, or serv-

ices rendered to, the Secretary. Such audits shall be conducted to the maximum extent feasible in cooperation with the State insurance authorities and through the use of their examining facilities.

STUDY OF REINSURANCE AND OTHER PROGRAMS

SEC. 1245. (a) The Secretary is authorized and directed to conduct a study of reinsurance and other means to help assure—

- (1) an adequate market for burglary and theft and other property insurance in urban areas; and
- (2) adequate availability of surety bonds for construction contractors in urban areas.

(b) The Secretary shall submit the results of this study, together with appropriate recommendations, to the President and Congress no later than June 30, 1970.¹

OTHER STUDIES

SEC. 1246. (a) The Secretary is authorized to undertake such studies as may be necessary to carry out the purposes of this title including, but not limited to, inquiries concerning—

- (1) the operation of plans under part A;
- (2) the extent to which essential property insurance is unavailable in urban areas;
- (3) the market for private reinsurance; and
- (4) loss prevention methods and procedures, insurance marketing methods, and underwriting techniques.

(b) To such extent and under such circumstances as may be practicable and feasible, the Secretary shall conduct any study authorized under this section in cooperation with State insurance authorities and the private insurance industry.

GENERAL POWERS

SEC. 1247. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c) (2), (d), and (f), of the Housing Act of 1950. Any rules or regulations of the Secretary shall only be issued after full consultation with the Board and after notice and hearing, if granted, as required by the Administrative Procedure Act.

SERVICES AND FACILITIES OF OTHER AGENCIES—UTILIZATION OF PERSONNEL, SERVICES, FACILITIES, AND INFORMATION

SEC. 1248. The Secretary may, with the consent of the agency concerned, accept and utilize, on a reimbursable basis, the officers, employees, services, facilities, and information of any agency of the Federal

¹ Sec. 407, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 396, extended from August 1, 1969, to June 30, 1970, the date by which the Secretary of HUD is required to report on the results of this study.

Government, except that any such agency having custody of any data relating to any of the matters within the jurisdiction of the Secretary shall, to the extent permitted by law, upon request of the Secretary, make such data available to the Secretary.

ADVANCE PAYMENTS

SEC. 1249. Any payments which are made under the authority of this title may be made, after necessary adjustments on account of previously made underpayments or overpayments in advance or by way of reimbursement. Payments may be made in such installments and on such conditions as the Secretary may determine.

TAXATION

SEC. 1250. (a) The National Insurance Development Fund, including its reserves, surplus, and income, shall be exempt from all taxation now or hereafter imposed by the United States, or by any State, or any subdivision thereof, except that any real property acquired by the Secretary as a result of reinsurance shall be subject to taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

(b) Any measures undertaken by any State to meet or to fund its obligations under section 1223(a)(1) shall not be the subject of any retaliatory or fiscal imposition by any other State.

APPROPRIATIONS

SEC. 1251. There are hereby authorized to be appropriated such sums as may be necessary to carry out this title.

FEDERAL INSURANCE ADMINISTRATOR

SEC. 1105. (a) There is hereby established in the Department of Housing and Urban Development the position of Federal Insurance Administrator.

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

“(91) Federal Insurance Administrator, Department of Housing and Urban Development.”

* * * * *

August 1, 1968.

FLOOD INSURANCE

EXCERPTS FROM THE FLOOD DISASTER PROTECTION ACT OF 1973

[Public Law 93-234, 87 Stat. 975]¹

AN ACT To expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Flood Disaster Protection Act of 1973".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds that—

(1) annual losses throughout the Nation from floods and mudslides are increasing at an alarming rate, largely as a result of the accelerating development of, and concentration of population in, areas of flood and mudslide hazards;

(2) the availability of Federal loans, grants, guaranties, insurance, and other forms of financial assistance are often determining factors in the utilization of land and the location and construction of public and of private industrial, commercial, and residential facilities;

(3) property acquired or constructed with grants or other Federal assistance may be exposed to risk of loss through floods, thus frustrating the purpose for which such assistance was extended;

(4) Federal instrumentalities insure or otherwise provide financial protection to banking and credit institutions whose assets include a substantial number of mortgage loans and other indebtedness secured by property exposed to loss and damage from floods and mudslides;

(5) the Nation cannot afford the tragic losses of life caused annually by flood occurrences, nor the increasing losses of property suffered by flood victims, most of whom are still inadequately compensated despite the provision of costly disaster relief benefits; and

(6) it is in the public interest for persons already living in flood-prone areas to have both an opportunity to purchase flood insurance and access to more adequate limits of coverage, so that they will be indemnified for their losses in the event of future flood disasters.

(b) The purpose of this Act, therefore, is to—

(1) substantially increase the limits of coverage authorized under the national flood insurance program;

¹ Various sections of this Act amended the National Flood Insurance Act of 1968.

(2) provide for the expeditious identification of, and the dissemination of information concerning, flood-prone areas;

(3) require States or local communities, as a condition of future Federal financial assistance, to participate in the flood insurance program and to adopt adequate flood plain ordinances with effective enforcement provisions consistent with Federal standards to reduce or avoid future flood losses; and

(4) require the purchase of flood insurance by property owners who are being assisted by Federal programs or by federally supervised, regulated, or insured agencies or institutions in the acquisition or improvement of land or facilities located or to be located in identified areas having special flood hazards.

DEFINITIONS

SEC. 3. (a) As used in this Act, unless the context otherwise requires, the term—

(1) “community” means a State or a political subdivision thereof which has zoning and building code jurisdiction over a particular area having special flood hazards;

(2) “Federal agency” means any department, agency, corporation, or other entity or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

(3) “financial assistance” means any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance, other than general or special revenue sharing or formula grants made to States;

(4)¹ “financial assistance for acquisition or construction purposes” means any form of financial assistance which is intended in whole or in part for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building or mobile home, and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein, and shall include the purchase or subsidization of mortgages or mortgage loans but shall exclude assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood);

(5) “Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions” means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration; and

(6) “Secretary” means the Secretary of Housing and Urban Development.

(b) The Secretary is authorized to define or redefine, by rules and regulations, any scientific or technical term used in this Act, insofar as such definition is not inconsistent with the purposes of this Act.

¹ Housing and Community Development Act, Public Law 95-128, approved October 12, 1977, amended section 3(a) (4) to read as set forth in the text.

TITLE I—EXPANSION OF NATIONAL FLOOD INSURANCE PROGRAM

* * * * *

REQUIREMENT TO PURCHASE FLOOD INSURANCE

SEC. 102. (a) After the expiration of sixty days following the date of enactment of this Act, no Federal officer or agency shall approve any financial assistance for acquisition or construction purposes for use in any area that has been identified by the Secretary as an area having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property to which such financial assistance relates is, during the anticipated economic or useful life of the project, covered by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less: *Provided*, That if the financial assistance provided is in the form of a loan or an insurance or guaranty of a loan, the amount of flood insurance required need not exceed the outstanding principal balance of the loan and need not be required beyond the term of the loan.

(b) Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation direct such institutions not to make, increase, extend, or renew after the expiration of sixty days following the date of enactment of this Act any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or to the maximum limit of coverage made available with respect to the particular type of property under the Act, whichever is less.

(c) Notwithstanding the other provisions of this section, flood insurance shall not be required on any State-owned property that is covered under an adequate State policy of self-insurance satisfactory to the Secretary. The Secretary shall publish and periodically revise the list of States to which this subsection applies.

* * * * *

TITLE II—DISASTER MITIGATION REQUIREMENTS

NOTIFICATION TO FLOOD-PRONE AREAS

SEC. 201. (a) Not later than six months following the enactment of this title, the Secretary shall publish information in accordance with subsection 1360(1) of the National Flood Insurance Act of 1968, and shall notify the chief executive officer of each known flood-prone community not already participating in the national flood insurance program of its tentative identification as a community containing one or more areas having special flood hazards.

(b) After such notification, each tentatively identified community shall either (1) promptly make proper application to participate in the national flood insurance program or (2) within six months submit technical data sufficient to establish to the satisfaction of the Secretary that the community either is not seriously flood prone or that such flood hazards as may have existed have been corrected by floodworks or other flood control methods. The Secretary may, in his discretion, grant a public hearing to any community with respect to which conflicting data exist as to the nature and extent of a flood hazard. If the Secretary decides not to hold a hearing, the community shall be given an opportunity to submit written and documentary evidence. Whether or not such hearing is granted, the Secretary's final determination as to the existence or extent of a flood hazard area in a particular community shall be deemed conclusive for the purposes of this Act if supported by substantial evidence in the record considered as a whole.

(c) As information becomes available to the Secretary concerning the existence of flood hazards in communities not known to be flood prone at the time of the initial notification provided for by subsection (a) of this section he shall provide similar notifications to the chief executive officers of such additional communities, which shall then be subject to the requirements of subsection (b) of this section.

(d) Formally identified flood-prone communities that do not qualify for the national flood insurance program within one year after such notification or by the date specified in section 202, whichever is later, shall thereafter be subject to the provisions of that section relating to flood-prone communities which are not participating in the program.

(e)¹ The Secretary is authorized to establish administrative procedures whereby the identification under this section of one or more areas in the community as having special flood hazards may be appealed to the Secretary by the community or any owner or lessee of real property within the community who believes his property has been inadvertently included in a special flood hazard area by the identification. When, incident to any appeal under this subsection, the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There is authorized to be appropriated for purposes of implementing this subsection not to exceed \$250,000.

EFFECT OF NONPARTICIPATION IN FLOOD INSURANCE PROGRAM

SEC. 202. (a) No Federal officer or agency shall approve any financial assistance for acquisition or construction purposes on and after July 1,

¹ The Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, added a new subsection (e).

1975, for use in any area that has been identified by the Secretary as an area having special flood hazards unless the community in which such area is situated is then participating in the national flood insurance program.

(b)¹ In addition to the requirements of section 1364 of the National Flood Insurance Act of 1968, each Federal instrumentality described in such section shall by regulation require the institutions described in such section to notify (as a condition of making, increasing, extending, or renewing any loan secured by property described in such section) the purchaser or lessee of such property of whether, in the event of a disaster caused by flood to such property, Federal disaster relief assistance will be available to such property.

AUTHORITY TO ISSUE REGULATIONS

SEC. 205. (a) The Secretary is authorized to issue such regulations as may be necessary to carry out the purpose of this Act.

(b) The head of each Federal agency that administers a program of financial assistance relating to the acquisition, construction, reconstruction, repair, or improvement of publicly or privately owned land or facilities, and each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions, shall, in cooperation with the Secretary, issue appropriate rules and regulations to govern the carrying out of the agency's responsibilities under this Act.

CONSULTATION WITH LOCAL OFFICIALS

SEC. 206. In carrying out his responsibilities under the provisions of this title and the National Flood Insurance Act of 1968 which relate to notification to and identification of flood-prone areas and the application of criteria for land management and use, including criteria derived from data reflecting new developments that may indicate the desirability of modifying elevations based on previous flood studies, the Secretary shall establish procedures assuring adequate consultation with the appropriate elected officials of general purpose local governments, including but not limited to those local governments whose prior eligibility under the program has been suspended. Such consultation shall include, but not be limited to, fully informing local officials at the commencement of any flood elevation study or investigation undertaken by any agency on behalf of the Secretary concerning the nature and purpose of the study, the areas involved, the manner in which the study is to be undertaken, the general principles to be applied, and the use to be made of the data obtained. The Secretary shall encourage local officials to disseminate information concerning such study widely within the community, so that interested persons will have an opportunity to bring all relevant facts and technical data concerning the local flood hazard to the attention of the agency during the course of the study.

Approved December 31, 1973.

¹ The Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 202(b) to read as set forth in the text.

EXCERPTS FROM THE HOUSING AND URBAN DEVELOPMENT
ACT OF 1968

[Public Law 90-448, 82 Stat. 476]

TITLE XIII—NATIONAL FLOOD INSURANCE

SHORT TITLE

SEC. 1301. This title may be cited as the "National Flood Insurance Act of 1968".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 1302. (a) The Congress finds that (1) from time to time flood disasters have created personal hardships and economic distress which have required unforeseen disaster relief measures and have placed an increasing burden on the Nation's resources; (2) despite the installation of preventive and protective works and the adoption of other public programs designed to reduce losses caused by flood damage, these methods have not been sufficient to protect adequately against growing exposure to future flood losses; (3) as a matter of national policy, a reasonable method of sharing the risk of flood losses is through a program of flood insurance which can complement and encourage preventive and protective measures; and (4) if such a program is initiated and carried out gradually, it can be expanded as knowledge is gained and experience is appraised, thus eventually making flood insurance coverage available on reasonable terms and conditions to persons who have need for such protection.

(b) The Congress also finds that (1) many factors have made it uneconomic for the private insurance industry alone to make flood insurance available to those in need of such protection on reasonable terms and conditions; but (2) a program of flood insurance with large-scale participation of the Federal Government and carried out to the maximum extent practicable by the private insurance industry is feasible and can be initiated.

(c) The Congress further finds that (1) a program of flood insurance can promote the public interest by providing appropriate protection against the perils of flood losses and encouraging sound land use by minimizing exposure of property to flood losses; and (2) the objectives of a flood insurance program should be integrally related to a unified national program for flood plain management and, to this end, it is the sense of Congress that within two years following the effective date of this title the President should transmit to the Congress for its consideration any further proposals necessary for such a unified program, including proposals for the allocation of costs among beneficiaries of flood protection.

(d) It is therefore the purpose of this title to (1) authorize a flood insurance program by means of which flood insurance, over a period of time, can be made available on a nationwide basis through the cooperative efforts of the Federal Government and the private insurance industry, and (2) provide flexibility in the program so that such flood insurance may be based on workable methods of pooling risks, mini-

mizing costs, and distributing burdens equitably among those who will be protected by flood insurance and the general public.

(e) It is the further purpose of this title to (1) encourage State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses, (2) guide the development of proposed future construction, where practicable, away from locations which are threatened by flood hazards, (3) encourage lending and credit institutions, as a matter of national policy, to assist in furthering the objectives of the flood insurance program, (4) assure that any Federal assistance provided under the program will be related closely to all flood-related programs and activities of the Federal Government, and (5) authorize continuing studies of flood hazards in order to provide for a constant reappraisal of the flood insurance program and its effect on land use requirements.

(f)¹ The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this title for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground.

(g)² The Congress also finds that (1) the damage and loss which may result from the erosion and undermining of shorelines by waves or currents in lakes and other bodies of water exceeding anticipated cyclical levels is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this title for purposes of the flood insurance program, protection against damage and loss resulting from the erosion and undermining of shorelines by waves or currents in lakes and other bodies of water exceeding anticipated cyclical levels.

¹ Sec. 409(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 397, added subsection (f).

² Sec. 108(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, added this new subsection "(g)".

AMENDMENTS TO THE FEDERAL FLOOD INSURANCE ACT OF 1956

SEC. 1303.¹ (a) The second sentence of section 15 (e) of the Federal Flood Insurance Act of 1956 (79 Stat. 1078) is amended—

* * * * *

CHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM

BASIC AUTHORITY

SEC. 1304. (a) To carry out the purposes of this title, the Secretary of Housing and Urban Development is authorized to establish and carry out a national flood insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property or personal property related thereto arising from any flood occurring in the United States.

(b) In carrying out the flood insurance program the Secretary shall, to the maximum extent practicable, encourage and arrange for—

(1) appropriate financial participation and risk sharing in the program by insurance companies and other insurers, and

(2) other appropriate participation, on other than a risk-sharing basis, by insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, in accordance with the provisions of chapter II.

SCOPE OF PROGRAM AND PRIORITIES

SEC. 1305. (a) In carrying out the flood insurance program the Secretary shall afford a priority to making flood insurance available to cover residential properties which are designed for the occupancy of from one to four families, church properties,² and business properties which are owned or leased and operated by small business concerns.

(b) If on the basis of—

(1) studies and investigations undertaken and carried out and information received or exchanged under section 1307, and

(2) such other information as may be necessary, the Secretary determines that it would be feasible to extend the flood insurance program to cover other properties, he may take such action under this title as from time to time may be necessary in order to make flood insurance available to cover, on such basis as may be feasible, any types and classes of—

(A) other residential properties,

(B) other business properties,

(C) agricultural properties,

(D) properties occupied by private nonprofit organizations, and

(E) properties owned by State and local governments and agencies thereof,

¹ Sec. 1303 repealed all of the Federal Flood Insurance Act of 1956 except section 15 (e) of that Act which authorized borrowings from the United States Treasury for flood insurance purposes (see sec. 15 (e), *infra*). See also section 1309.

² Sec. 2 (c) (1) of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, added "church properties".

and any such extensions of the program to any types and classes of these properties shall from time to time be prescribed in regulations.

(c) The Secretary shall make flood insurance available in only those States or areas (or subdivisions thereof) which he has determined have—

(1) evidenced a positive interest in securing flood insurance coverage under the flood insurance program, and

(2) given satisfactory assurance that by December 31, 1971, adequate¹ land use and control measures will have been adopted for the State or area (or subdivision) which are consistent with the comprehensive criteria for land management and use developed under section 1361, and that the application and enforcement of such measures will commence as soon as technical information on floodways and on controlling flood elevations is available.

NATURE AND LIMITATION OF INSURANCE COVERAGE

SEC. 1306. (a) The Secretary shall from time to time, after consultation with the advisory committee authorized under section 1318, appropriate representatives of the pool formed or otherwise created under section 1331, and appropriate representatives of the insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to properties eligible for flood insurance coverage under section 1305, including—

(1) the types, classes, and locations of any such properties which shall be eligible for flood insurance;

(2) the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be advisable;

(4) appropriate minimum premiums;

(5) appropriate loss-deductibles; and

(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purposes of this title.

(b) In addition to any other terms and conditions under subsection (a), such regulations shall provide that—

(1) any flood insurance coverage based on chargeable premium rates under section 1308 which are less than the estimated premium rates under section 1307 (a) (1) shall not exceed—

(A) in the case of residential properties—²

(i) \$35,000 aggregate liability for any single-family dwelling, and \$100,000 for any residential structure containing more than one dwelling unit.

(ii) \$10,000 aggregate liability per dwelling unit for any contents related to such unit, and

(iii) in the States of Alaska and Hawaii, and in the

¹ Sec. 410(a), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 397, substituted "December 31, 1971, adequate" for "June 30, 1970, permanent".

² Sec. 191(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, amended sec. 1306(b) (1) (A).

Virgin Islands and Guam, the limits provided in clause (i) of this sentence shall be: \$50,000 aggregate liability for any single-family dwelling, and \$150,000 for any residential structure containing more than one dwelling unit;

(B)¹ in the case of business properties which are owned or leased and operated by small business concerns, an aggregate liability with respect to any single structure, including any contents thereof related to premises of small business occupants (as that term is defined by the Secretary), which shall be equal to (i) \$100,000 plus (ii) \$100,000 multiplied by the number of such occupants and shall be allocated among such occupants (or among the occupant or occupants and the owner) under regulations prescribed by the Secretary; except that the aggregate liability for the structure itself may in no case exceed \$100,000; and

(C) in the case of church properties and any other properties which may become eligible for flood insurance under section 1305—

(i) \$100,000 aggregate liability for any single structure, and

(ii) \$100,000 aggregate liability per unit for any contents related to such unit; and ²

(2)³ in the case of any residential property for which the risk premium rate is determined in accordance with the provisions of section 1307(a) (1), additional flood insurance in excess of the limits specified in clause (i) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable such insured or applicant to receive coverage up to an amount of \$150,000 under the provisions of this clause;

(3)³ in the case of any residential property for which the risk premium rate is determined in accordance with the provisions of section 1307(a) (1), additional flood insurance in excess of the limits specified in clause (ii) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to an amount of \$50,000 under the provisions of this clause;

(4)³ in the case of business property owned, leased, or operated by small business concerns for which the risk premium rate is determined in accordance with the provisions of section 1307(a) (1), additional flood insurance in excess of the limits specified in subparagraph (B) of paragraph (1) shall be made available to every such owner, lessee, or operator in respect to any single structure, including any contents thereof, related to premises of small business occupants (as that term is defined by the Secretary), up to an amount equal to (i) \$250,000 plus (ii) \$200,000 multiplied by the number of such occupants which coverage shall be allocated among such occupants (or among the occu-

¹ Sec. 101(b) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, substituted "\$100,000" for "\$30,000" and "\$5,000" each place it appears.

² Sec. 101(c) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, amended section 1306(b) (1) (C) of this Act.

³ Sec. 704 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1306(b) by deleting paragraph (2) and inserting new paragraphs (2), (3), (4), (5), and (6).

pant or occupants and the owner) in accordance with the regulations prescribed by the Secretary pursuant to such subparagraph (B), except that the aggregate liability for the structure itself may in no case exceed \$250,000;

(5) ¹ any flood insurance coverage which may be made available in excess of the limits specified in subparagraph (A), (B), or (C) of paragraph (1), shall be based only on chargeable premium rates under section 1308 which are not less than the estimated premium rates under section 1307(a)(1), and the amount of such excess coverage shall not in any case exceed an amount equal to the applicable limit so specified (or allocated) under paragraph (1)(C), (2), (3), or (4), as applicable; and

(6) ¹ the flood insurance purchase requirements of section 102 of the Flood Disaster Protection Act of 1973 do not apply to the additional flood insurance limits made available in excess of twice the limits made available under paragraph (1).

ESTIMATES OF PREMIUM RATES

SEC. 1307. (a) The Secretary is authorized to undertake and carry out such studies and investigations and receive or exchange such information as may be necessary to estimate, and shall from time to time estimate, on an area, subdivision, or other appropriate basis—

(1) the risk premium rates for flood insurance which—

(A) based on consideration of the risk involved and accepted actuarial principles, and

(B) including—

(i) the applicable operating costs and allowances set forth in the schedules prescribed under section 1311 and reflected in such rates, and

(ii) any administrative expenses (or portion of such expenses) of carrying out the flood insurance program which, in his discretion, should properly be reflected in such rates,

would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 1305(a) (or is recommended to the Congress under section 1305(b));

(2) the rates, if less than the rates estimated under paragraph (1), which would be reasonable, would encourage prospective insureds to purchase flood insurance, and would be consistent with the purposes of this title; and

(3) the extent, if any, to which federally assisted or other flood protection measures initiated after the date of the enactment of this title affect such rates.

(b) In carrying out subsection (a), the Secretary shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, and the Tennessee Valley Authority, and, as appropriate, other Fed-

¹ Sec. 704 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1306(b) by deleting paragraph (2) and inserting new paragraphs (2), (3), (4), (5), and (6).

eral departments or agencies, and for such purposes may enter into agreements or other appropriate arrangements with any persons.

(c) The Secretary shall give priority to conducting studies and investigations and making estimates under this section in those States or areas (or subdivisions thereof) which he has determined have evidenced a positive interest in securing flood insurance coverage under the flood insurance program.

(d)¹ Notwithstanding any other provision of law, any structure existing on the date of enactment of the Flood Disaster Protection Act of 1973 and located within Avoyelles, Evangeline, Rapides, or Saint Landry Parish in the State of Louisiana, which the Secretary determines is subject to additional flood hazards as a result of the construction or operation of the Atchafalaya Basin Levee System, shall be eligible for flood insurance under this title (if and to the extent it is eligible for such insurance under the other provisions of this title) at premium rates that shall not exceed those which would be applicable if such additional hazards did not exist.

(e)² Notwithstanding any other provision of law, any community that has made adequate progress, acceptable to the Secretary, on the construction of a flood protection system which will afford flood protection for the one-hundred year frequency flood as determined by the Secretary, shall be eligible for flood insurance under this title (if and to the extent it is eligible for such insurance under the other provisions of this title) at premium rates not exceeding those which would be applicable under this section if such flood protection system had been completed. The Secretary shall find that adequate progress on the construction of a flood protection system as required herein has been only if (1) 100 percent of the project cost of the system has been authorized, (2) at least 60 percent of the project cost of the system has been appropriated, (3) at least 50 percent of the project cost of the system has been expended, and (4) the system is at least 50 percent completed.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

SEC. 1308. (a) On the basis of estimates made under section 1307 and such other information as may be necessary, the Secretary shall from time to time, after consultation with the advisory committee authorized under section 1318, appropriate representatives of the pool formed or otherwise created under section 1331, and appropriate representatives of the insurance authorities of the respective States, prescribe by regulation—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 1305 (at less than the estimated risk premium rates under section 1307 (a) (1), where necessary), and

(2) the terms and conditions under which, and the areas (including subdivisions thereof) within which, such rates shall apply.

(b) Such rates shall, insofar as practicable, be—

¹ Sec. 109 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, added this new subsection "(d)".

² Sec. 816(b) of Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, added this new subsection "(e)".

(1) based on a consideration of the respective risks involved, including differences in risks due to land use measures, flood-proofing, flood forecasting, and similar measures.

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or if less than such amount consistent with the objective of making flood insurance available where necessary at reasonable rates so as to encourage prospective insureds to purchase such insurance and with the purposes of this title, and

(3) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under section 1307(a)(1) and the estimated rates under section 1307(a)(2).

(c)¹ Notwithstanding any other provision of this title, the chargeable rate with respect to any property, the construction or substantial improvement of which the Secretary determines has been started after December 31, 1974, or the effective date of the initial rate map published by the Secretary under paragraph (2) of section 1360 for the area in which such property is located, whichever is later, shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 1307(a)(1).

(d) In the event any chargeable premium rate prescribed under this section—

(1) is a rate which is not less than the applicable estimated risk premium rate under section 1307(a)(1), and

(2) includes any amount for administrative expenses of carrying out the flood insurance program which have been estimated under clause (ii) of section 1307(a)(1)(B),

a sum equal to such amount shall be paid to the Secretary, and he shall deposit such sum in the National Flood Insurance Fund established under section 1310.

FINANCING

SEC. 1309. (a) All authority which was vested in the Housing and Home Finance Administrator by virtue of section 15(e) of the Federal Flood Insurance Act of 1956 (70 Stat. 1084) (pertaining to the issue of notes or other obligations to the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Secretary for the purpose of carrying out the flood insurance program under this title; except ² that the total amount of notes and obligations which may be issued by the Secretary pursuant to such authority (1) without the approval of the President, may not exceed \$500,000,000, and (2) with the approval of the President, may not exceed \$1,000,000,000. The Secretary shall report to the Committee on Banking and Currency of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate at any time when he requests the approval of the President in accordance with the preceding sentence.

¹ Sec. 103 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, amended this subsection by substituting a new subsection "(c)".

² Sec. 104 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, amended this subsection.

(b) Any funds borrowed by the Secretary under this authority shall, from time to time, be deposited in the National Flood Insurance Fund established under section 1310.

NATIONAL FLOOD INSURANCE FUND

SEC. 1310. (a) To carry out the flood insurance program authorized by this title, the Secretary is authorized to establish in the Treasury of the United States a National Flood Insurance Fund (hereinafter referred to as the "fund") which shall be available, without fiscal year limitation—

(1) for making such payments as may, from time to time, be required under section 1334;

(2) to pay reinsurance claims under the excess loss reinsurance coverage provided under section 1335;

(3) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 1309;

(4) to pay such administrative expenses (or portion of such expenses) of carrying out the flood insurance program as he may deem necessary; and

(5) for the purposes specified in subsection (d) under the conditions provided therein.

(b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 1309 as may from time to time be deposited in the fund;

(2) premiums, fees, or other charges which may be paid or collected in connection with the excess loss reinsurance coverage provided under section 1335;

(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(4) interest which may be earned on investments of the fund pursuant to subsection (c);

(5) such sums as are required to be paid to the Secretary under section 1308(d); and

(6) receipts from any other operations under this title (including premiums under the conditions specified in subsection (d), and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after—

(1) all outstanding obligations of the fund have been liquidated, and

(2) any outstanding amounts which may have been advanced to the fund from appropriations authorized under section 1376 (a) (2) (B) have been credited to the appropriation from which advanced, with interest accrued at the rate prescribed under section 15(e) of the Federal Flood Insurance Act of 1956, as in effect immediately prior to the enactment of this title,

the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he

deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

(d) In the event the Secretary makes a determination in accordance with the provisions of section 1340 that operation of the flood insurance program, in whole or in part, should be carried out through the facilities of the Federal Government, the fund shall be available for all purposes incident thereto, including—

(1) cost incurred in the adjustment and payment of any claims for losses, and

(2) payment of applicable operating costs set forth in the schedules prescribed under section 1311, for so long as the program is so carried out, and in such event any premiums paid shall be deposited by the Secretary to the credit of the fund.

(e) An annual business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847-849)) for wholly-owned Government corporations.

OPERATING COSTS AND ALLOWANCES

SEC. 1311. (a) The Secretary shall from time to time negotiate with appropriate representatives of the insurance industry for the purpose of establishing—

(1) a current schedule of operating costs applicable both to risk-sharing insurance companies and other insurers and to insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations participating on other than a risk-sharing basis, and

(2) a current schedule of operating allowances applicable to risk-sharing insurance companies and other insurers, which may be payable in accordance with the provisions of chapter II, and such schedules shall from time to time be prescribed in regulations.

(b) For purposes of subsection (a)—

(1) the term “operating costs” shall (without limiting such term) include—

(A) expense reimbursements covering the direct, actual and necessary expenses incurred in connection with selling and servicing flood insurance coverage;

(B) reasonable compensation payable for selling and servicing flood insurance coverage, or commissions or service fees paid to producers;

(C) loss adjustment expenses; and

(D) other direct, actual, and necessary expenses which the Secretary finds are incurred in connection with selling or servicing flood insurance coverage; and

(2) the term “operating allowances” shall (without limiting such term) include amounts for profit and contingencies which the Secretary finds reasonable and necessary to carry out the purposes of this title.

PAYMENT OF CLAIMS

SEC. 1312. The Secretary is authorized to prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by flood insurance made available under the provisions of this title.

DISSEMINATION OF FLOOD INSURANCE INFORMATION

SEC. 1313. The Secretary shall from time to time take such action as may be necessary in order to make information and data available to the public, and to any State or local agency or official, with regard to—

- (1) the flood insurance program, its coverage and objectives, and
- (2) estimated and chargeable flood insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 1308.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS REPEALED ¹

SEC. 1314. (a) Notwithstanding the provisions of any other law, no Federal disaster assistance shall be made available to any person—

- (1) for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage is covered by a valid claim which may be adjusted and paid under flood insurance made available under the authority of this title, or

- (2)² except in the situation provided for under subsection (b), for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage could have been covered by a valid claim under flood insurance which had been made available under the authority of this title, if—

(A) such loss, destruction, or damage occurred subsequent to one year following the date flood insurance was made available in the area (or subdivision thereof) in which such property or the major part thereof was located, and

(B) such property was eligible for flood insurance under this title at that date;

and in such circumstances the extent that such loss, destruction, or damage could have been covered shall be presumed (for purposes of this subsection) to be an amount not less than the maximum limit of insurable loss or damage applicable to such property in such area (or subdivision thereof), pursuant to regulations under section 1306, at the time insurance was made available in such area (or subdivision thereof).

(b) In order to assure that the provisions of subsection (a)(2) will not create undue hardship for low-income persons who might otherwise benefit from the provision of Federal disaster assistance,

¹ Sec. 203 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, repealed "section 1314".

² Sec. 2(b) of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, limits the applicability of sec. 1314(a)(2) to loss, damage, or destruction occurring after December 31, 1973.

the Secretary shall provide by regulation for the circumstances in which the provisions of subsection (a) (2) shall not be applicable to any such persons.

(c) For purposes of this section, "Federal disaster assistance" shall include any Federal financial assistance which may be made available to any person as a result of—

(1) a major disaster (within the meaning of that term as determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to State and local governments in major disasters, and for other purposes", as amended (42 U.S.C. 1855-1855g)),

(2) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), or

(3) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act (15 U.S.C. 636(b)).

(d) For purposes of section 10 of the Disaster Relief Act of 1966 (80 Stat. 1320), the term "financial assistance" shall be deemed to include any flood insurance which is made available under this title.

STATE AND LOCAL LAND USE CONTROLS

SEC. 1315. After December 31, 1971,¹ no new flood insurance coverage shall be provided under this title in any area (or subdivision thereof) unless an appropriate public body shall have adopted adequate¹ land use and control measures (with effective enforcement provisions) which the Secretary finds are consistent with the comprehensive criteria for land management and use under section 1361.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

SEC. 1316. No new flood insurance coverage shall be provided under this title for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in flood-prone areas.

COORDINATION WITH OTHER PROGRAMS

SEC. 1317. In carrying out this title, the Secretary shall consult with other departments and agencies of the Federal Government, and with interstate, State, and local agencies having responsibilities for flood control, flood forecasting, or flood damage prevention, in order to assure that the programs of such agencies and the flood insurance program authorized under this title are mutually consistent.

ADVISORY COMMITTEE

SEC. 1318. (a) The Secretary shall appoint a flood insurance advisory committee without regard to the provisions of title 5, United

¹ Sec. 410(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 397, substituted "December 31, 1971," for "June 30, 1970," and also substituted "adequate land use and control measures" for "permanent land use and control measures" in the same sentence.

States Code, governing appointments in the competitive service, and such committee shall advise the Secretary in the preparation of any regulations prescribed in accordance with this title and with respect to policy matters arising in the administration of this title, and shall perform such other responsibilities as the Secretary may, from time to time, assign to such committee.

(b) Such committee shall consist of not more than fifteen persons and such persons shall be selected from among representatives of—

- (1) the insurance industry,
- (2) State and local governments,
- (3) lending institutions,
- (4) the homebuilding industry, and
- (5) the general public.

(c) Members of the committee shall, while attending conferences or meetings thereof, be entitled to receive compensation at a rate fixed by the Secretary but not exceeding \$100 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

PROGRAM EXPIRATION ¹

SEC. 1319. No new contract for flood insurance under this title shall be entered into after September 30, 1980.²

REPORT TO THE PRESIDENT

SEC. 1320. The Secretary shall include a report of operations under this title in the annual report to the President for submission to the Congress required by section 8 of the Department of Housing and Urban Development Act.

CHAPTER II—ORGANIZATION AND ADMINISTRATION OF THE FLOOD INSURANCE PROGRAM

ORGANIZATION AND ADMINISTRATION

SEC. 1330. Following such consultation with representatives of the insurance industry as may be necessary, the Secretary shall implement the flood insurance program authorized under chapter I in accordance with the provisions of part A of this chapter and, if a determination is made by him under section 1340, under part B of this chapter.

PART A—INDUSTRY PROGRAM WITH FEDERAL FINANCIAL ASSISTANCE

INDUSTRY FLOOD INSURANCE POOL

SEC. 1331. (a) The Secretary is authorized to encourage and otherwise assist any insurance companies and other insurers which meet the

¹ Sec. 105 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, amended section 1319.

² Section 702 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1319 by extending the National Flood Insurance Program to read as set forth in the text. Public Law 95-60 had previously extended the date from June 30, 1977 to July 31, 1977; and Public Law 95-80 had extended the date from June 30, 1977 to September 30, 1977. Extended through September 30, 1980 by Housing and Community Development Amendments, Sec. 30(a), Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

requirements prescribed under subsection (b) to form, associate, or otherwise join together in a pool—

(1) in order to provide the flood insurance coverage authorized under chapter I; and

(2) for the purpose of assuming, on such terms and conditions as may be agreed upon, such financial responsibility as will enable such companies and other insurers, with the Federal financial and other assistance available under this title, to assure a reasonable proportion of responsibility for the adjustment and payment of claims for losses under the flood insurance program.

(b) In order to promote the effective administration of the flood insurance program under this part, and to assure that the objectives of this title are furthered, the Secretary is authorized to prescribe appropriate requirements for insurance companies and other insurers participating in such pool including, but not limited to, minimum requirements for capital or surplus or assets.

AGREEMENTS WITH FLOOD INSURANCE POOL

SEC. 1332. (a) The Secretary is authorized to enter into such agreements with the pool formed or otherwise created under this part as he deems necessary to carry out the purposes of this title.

(b) Such agreements shall specify—

(1) the terms and conditions under which risk capital will be available for the adjustment and payment of claims,

(2) the terms and conditions under which the pool (and the companies and other insurers participating therein) shall participate in premiums received and profits or losses realized or sustained,

(3) the maximum amount of profit, established by the Secretary and set forth in the schedules prescribed under section 1311, which may be realized by such pool (and the companies and other insurers participating therein),

(4) the terms and conditions under which operating costs and allowances set forth in the schedules prescribed under section 1311 may be paid, and

(5) the terms and conditions under which premium equalization payments under section 1334 will be made and reinsurance claims under section 1335 will be paid.

(c) In addition, such agreements shall contain such provisions as the Secretary finds necessary to assure that—

(1) no insurance company or other insurer which meets the requirements prescribed under section 1331(b), and which has indicated an intention to participate in the flood insurance program on a risk-sharing basis, will be excluded from participating in the pool,

(2) the insurance companies and other insurers participating in the pool will take whatever action may be necessary to provide continuity of flood insurance coverage by the pool, and

(3) any insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations will

be permitted to cooperate with the pool as fiscal agents or otherwise, on other than a risk-sharing basis, to the maximum extent practicable.

ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW

SEC. 1333. The insurance companies and other insurers which form, associate, or otherwise join together in the pool under this part may adjust and pay all claims for proved and approved losses covered by flood insurance in accordance with the provisions of this title and, upon the disallowance by any such company or other insurer of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance of the claim, may institute an action on such claim against such company or other insurer in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

PREMIUM EQUALIZATION PAYMENTS

SEC. 1334. (a) The Secretary, on such terms and conditions as he may from time to time prescribe, shall make periodic payments to the pool formed or otherwise created under section 1331, in recognition of such reductions in chargeable premium rates under section 1308 below estimated premium rates under section 1307(a) (1) as are required in order to make flood insurance available on reasonable terms and conditions.

(b)¹ Designated periods under this section and the methods for determining the sum of premiums paid or payable during such periods shall be established by the Secretary.

REINSURANCE COVERAGE

SEC. 1335. (a) The Secretary is authorized to take such action as may be necessary in order to make available, to the pool formed or otherwise created under section 1331, reinsurance for losses (due to claims for proved and approved losses covered by flood insurance) which are in excess of losses assumed by such pool in accordance with the excess loss agreement entered into under subsection (c).

(b) Such reinsurance shall be made available pursuant to contract, agreement, or any other arrangement, in consideration of such payment of a premium, fee, or other charge as the Secretary finds necessary to cover anticipated losses and other costs of providing such reinsurance.

(c) The Secretary is authorized to negotiate an excess loss agreement, from time to time, under which the amount of flood insurance retained by the pool, after ceding reinsurance, shall be adequate to further the purposes of this title, consistent with the objective of maintaining appropriate financial participation and risk sharing to the

¹ Sec. 111 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, deleted subsection (b) and redesignated subsection (c) as subsection (b).

maximum extent practicable on the part of participating insurance companies and other insurers.

(d) All reinsurance claims for losses in excess of losses assumed by the pool shall be submitted on a portfolio basis by such pool in accordance with terms and conditions established by the Secretary.

EMERGENCY IMPLEMENTATION OF PROGRAM

SEC. 1336.¹ (a) Notwithstanding any other provisions of this title, for the purpose of providing flood insurance coverage at the earliest possible time, the Secretary shall carry out the flood insurance program authorized under chapter I during the period ending September 30, 1980,² in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part but subject to the modifications made by or under subsection (b).

(b) In carrying out the flood insurance program pursuant to subsection (a), the Secretary—

(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 1307; and

(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 1334) and sections 1345 and 1346 to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section.

PART B—GOVERNMENT PROGRAM WITH INDUSTRY ASSISTANCE

FEDERAL OPERATION OF THE PROGRAM

SEC. 1340. (a) If at any time, after consultation with representatives of the insurance industry, the Secretary determines that operation of the flood insurance program as provided under part A cannot be carried out, or that such operation, in itself, would be assisted materially by the Federal Government's assumption, in whole or in part, of the operational responsibility for flood insurance under this title (on a temporary or other basis) he shall promptly undertake any necessary arrangements to carry out the program of flood insurance authorized under chapter I through the facilities of the Federal Government, utilizing, for purposes of providing flood insurance coverage, either—

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States,

(2) officers and employees of the Department of Housing and Urban Development, and such other officers and employees of any

¹ Sec. 1336 added by sec. 408, Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 396.

² Sec. 2(a) of Public Law 92-213, approved December 22, 1971, 85 Stat. 775, substituted "December 31, 1973" for "December 31, 1971". Sec. 106 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, substituted "December 31, 1975" for "December 31, 1973". Sec. 5 of Public Law 94-173, 89 Stat. 1027, approved December 23, 1975, substituted "December 31, 1976" for "December 31, 1975". Sec. 14(b) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, substituted "September 30, 1977" for "December 31, 1976". Sec. 701(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, 91 Stat. 1144, substituted "September 30, 1978" for "September 30, 1977". Extended through September 30, 1980, by Sec. 308(b), Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

executive agency (as defined in section 105 of title 5 of the United States Code) as the Secretary and the head of any such agency may from time to time, agree upon, on a reimbursement or other basis, or

(3) both the alternative specified in paragraphs (1) and (2).

(b) Upon making the determination referred to in subsection (a), and at least thirty days prior to implementing the program of flood insurance authorized under chapter I through the facilities of the Federal Government, the Secretary shall make a report to the Congress and such report shall—

(1) state the reasons for such determination,

(2) be supported by pertinent findings,

(3) indicate the extent to which it is anticipated that the insurance industry will be utilized in providing flood insurance coverage under the program, and

(4) contain such recommendations as the Secretary deems advisable.

ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW

SEC. 1341. In the event the program is carried out as provided in section 1340, the Secretary shall be authorized to adjust and make payment of any claims for proved and approved losses covered by flood insurance, and upon the disallowance by the Secretary of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance by the Secretary, may institute an action against the Secretary on such claim in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

PART C—PROVISIONS OF GENERAL APPLICABILITY

SERVICES BY INSURANCE INDUSTRY

SEC. 1345. (a) In administering the flood insurance program under this chapter, the Secretary is authorized to enter into any contracts, agreements, or other appropriate arrangements which may, from time to time, be necessary for the purpose of utilizing, on such terms and conditions as may be agreed upon, the facilities and services of any insurance companies or other insurers, insurance agents and brokers, or insurance adjustment organizations; and such contracts, agreements, or arrangements may include provision for payment of applicable operating costs and allowances for such facilities and services as set forth in the schedules prescribed under section 1311.

(b) Any such contracts, agreements, or other arrangements may be entered into without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competitive bidding.

USE OF INSURANCE POOL, COMPANIES, OR OTHER PRIVATE ORGANIZATIONS
FOR CERTAIN PAYMENTS

SEC. 1346. (a) In order to provide for maximum efficiency in the administration of the flood insurance program and in order to facilitate the expeditious payment of any Federal funds under such program, the Secretary may enter into contracts with a pool formed or otherwise created under section 1331, or any insurance company or other private organization, for the purpose of securing performance by such pool, company, or organization of any or all of the following responsibilities:

(1) estimating and later determining any amounts of payments to be made;

(2) receiving from the Secretary, disbursing, and accounting for funds in making such payments;

(3) making such audits of the records of any insurance company or other insurer, insurance agent or broker, or insurance adjustment organization as may be necessary to assure that proper payments are made; and

(4) otherwise assisting in such manner as the contract may provide to further the purposes of this title.

(b) Any contract with the pool or an insurance company or other private organization under this section may contain such terms and conditions as the Secretary finds necessary or appropriate for carrying out responsibilities under subsection (a), and may provide for payment of any costs which the Secretary determines are incidental to carrying out such responsibilities which are covered by the contract.

(c) Any contract entered into under subsection (a) may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competitive bidding.

(d) No contract may be entered into under this section unless the Secretary finds that the pool, company, or organization will perform its obligations under the contract efficiently and effectively, and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

(e) (1) Any such contract may require the pool, company, or organization or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Secretary may deem appropriate.

(2) No individual designated pursuant to a contract under this section to certify payments shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this section.

(3) No officer disbursing funds shall in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by an individual designated to certify payments as provided in paragraph (2) of this subsection.

(f) Any contract entered into under this section shall be for a term of one year, and may be made automatically renewable from term to term in the absence of notice by either party of an intention to termi-

nate at the end of the current term; except that the Secretary may terminate any such contract at any time (after reasonable notice to the pool, company, or organization involved) if he finds that the pool, company, or organization has failed substantially to carry out the contract, or is carrying out the contract in a manner inconsistent with the efficient and effective administration of the flood insurance program authorized under this title.

SETTLEMENT AND ARBITRATION

SEC. 1347. (a) The Secretary is authorized to make final settlement of any claims or demands which may arise as a result of any financial transactions which he is authorized to carry out under this chapter, and may, to assist him in making any such settlement, refer any disputes relating to such claims or demands to arbitration, with the consent of the parties concerned.

(b) Such arbitration shall be advisory in nature, and any award, decision, or recommendation which may be made shall become final only upon the approval of the Secretary.

RECORDS AND AUDITS

SEC. 1348. (a) The flood insurance pool formed or otherwise created under part A of this chapter, and any insurance company or other private organization executing any contract, agreement, or other appropriate arrangement with the Secretary under part B of this chapter or this part, shall keep such records as the Secretary shall prescribe, including records which fully disclose the total costs of the program undertaken or the services being rendered, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the pool and any such insurance company or other private organization that are pertinent to the costs of the program undertaken or the services being rendered.

CHAPTER III—COORDINATION OF FLOOD INSURANCE WITH LAND-MANAGEMENT PROGRAMS IN FLOOD-PRONE AREAS

IDENTIFICATION OF FLOOD-PRONE AREAS

SEC. 1360. (a)¹ The Secretary is authorized to consult with, receive information from, and enter into any agreements or other arrangements with the Secretaries of the Army, the Interior, Agriculture, and Commerce, the Tennessee Valley Authority, and the heads of other Federal departments or agencies, on a reimbursement basis, or with the head of any State or local agency, or enter into contracts with any persons or private firms, in order that he may—

(1) identify and publish information with respect to all flood plain areas, including coastal areas located in the United States,

¹ Sec. 204 of the Flood Disaster Protection Act of 1973. Public Law 93-234, 87 Stat. 975, approved December 31, 1973, inserted "(a)" after section 1360 and added at the end thereof new subsection "(b)" and "(c)".

which have special flood hazards, within five years following the date of the enactment of this Act, and

(2) establish flood-risk zones in all such areas, and make estimates with respect to the rates of probable flood-caused loss for the various flood-risk zones for each of these areas, within fifteen years following such date.

(b) The Secretary is directed to accelerate the identification of risk zones within flood-prone and mudslide-prone areas, as provided by subsection (a)(2) of this section, in order to make known the degree of hazard within each such zone at the earliest possible date. To accomplish this objective, the Secretary is authorized, without regard to sections 3648 and 3709 of the Revised Statutes, as amended (31 U.S.C. 529 and 41 U.S.C. 5), to make grants, provide technical assistance, and enter into contracts, cooperative agreements, or other transactions, on such terms as he may deem appropriate, or consent to modifications thereof, and to make advance or progress payments in connection therewith.

(c) The Secretary of Defense (through the Army Corps of Engineers), the Secretary of the Interior (through the United States Geological Survey), the Secretary of Agriculture (through the Soil Conservation Service), the Secretary of Commerce (through the National Oceanic and Atmospheric Administration), the head of the Tennessee Valley Authority, and the heads of all other Federal agencies engaged in the identification or delineation of flood-risk zones within the several States shall, in consultation with the Secretary, give the highest practicable priority in the allocation of available manpower and other available resources to the identification and mapping of flood hazard areas and flood-risk zones, in order to assist the Secretary to meet the deadline established by this section.

CRITERIA FOR LAND MANAGEMENT AND USE

SEC. 1361. (a) The Secretary is authorized to carry out studies and investigations, utilizing to the maximum extent practicable the existing facilities and services of other Federal departments or agencies, and State and local governmental agencies, and any other organizations, with respect to the adequacy of State and local measures in flood-prone areas as to land management and use, flood control, flood zoning, and flood damage prevention, and may enter into any contracts, agreements, or other appropriate arrangements to carry out such authority.

(b) Such studies and investigations shall include, but not be limited to, laws, regulations, or ordinances relating to encroachments and obstructions on stream channels and floodways, the orderly development and use of flood plains of rivers or streams, floodway encroachment lines, and flood plain zoning, building codes, building permits, and subdivision or other building restrictions.

(c) On the basis of such studies and investigations, and such other information as he deems necessary, the Secretary shall from time to time develop comprehensive criteria designed to encourage, where

necessary, the adoption of adequate¹ State and local measures which, to the maximum extent feasible, will—

- (1) constrict the development of land which is exposed to flood damage where appropriate,
 - (2) guide the development of proposed construction away from locations which are threatened by flood hazards,
 - (3) assist in reducing damage caused by floods, and
 - (4) otherwise improve the long-range land management and use of flood prone areas,
- and he shall work closely with and provide any necessary technical assistance to State, interstate, and local governmental agencies, to encourage the application of such criteria and the adoption and enforcement of such measures.

PURCHASE OF CERTAIN INSURED PROPERTIES

SEC. 1362(a)² The Secretary may, when he determines that the public interest would be served thereby, enter into negotiations with any owner of real property or interest therein which—

(1) was located in any flood-risk area, as determined by the Secretary,

(2) was covered by flood insurance under the flood insurance program authorized under this title, and

(3) incurred significant flood damage on not less than three previous occasions over a five-year period of time and on each occasion the cost of repair, on the average, equaled or exceeded 25 per centum of the value of the structure at the time of each flood event or was damaged substantially beyond repair by flood while so covered.²

(b)² When any real property referred to in paragraphs (1) and (2) of subsection (a) has sustained damage as a result of a single casualty of any nature under such circumstances that a statute, ordinance or regulation precludes its repair or restoration or permits repair or restoration only at a significantly increased construction cost, the Secretary may enter into negotiations with the owner of the property or interest therein for the purchase of such property for the uses and purposes of this section.

(c)² Whenever, as a result of damage from any casualty, the repair, reconstruction, or substantial improvement of any single-family dwelling structure located within a regulatory floodway and insured under the flood insurance program is deemed by the Secretary to be made more effective from the standpoint of prudent flood plain management by elevation of the structure so it will not interfere with the flow of water from the base flood within such regulatory floodway, the Secretary is authorized to make a low-interest loan at a rate of interest of 2 per centum per annum, repayable in ten years, to the owner of any such structure for the purpose of so elevating the struc-

¹ Sec. 410(c), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 397, substituted "adequate" for "permanent".

² Sec. 704(b) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1362 by inserting "(a)" after "Sec. 1362"; revising paragraph (3) as set forth in the text; and by adding new subsections (b), (c), and (d).

ture. There is authorized to be appropriated for purposes of implementing this subsection not to exceed \$4,500,000.

(d)¹ The Secretary is authorized to issue such regulations as may be necessary to carry out the purposes of this section.

APPEALS

SEC. 1363.² (a) In establishing projected flood elevations for land use purposes with respect to any community pursuant to section 1361, the Secretary shall first propose such determinations by publication for comment in the Federal Register, by direct notification to the chief executive officer of the community, and by publication in a prominent local newspaper.

(b) The Secretary shall publish notification of flood elevation determinations in a prominent local newspaper at least twice during the ten-day period following notification to the local government. During the ninety-day period following the second publication, any owner or lessee of real property within the community who believes his property rights to be adversely affected by the Secretary's proposed determination may appeal such determination to the local government. The sole basis for such appeal shall be the possession of knowledge or information indicating that the elevations being proposed by the Secretary with respect to an identified area having special flood hazards are scientifically or technically incorrect, and the sole relief which shall be granted under the authority of this section in the event that such appeal is sustained in accordance with subsection (e) or (f) is a modification of the Secretary's proposed determination accordingly.

(c) Appeals by private persons shall be made to the chief executive officer of the community, or to such agency as he shall publicly designate, and shall set forth the data that tend to negate or contradict the Secretary's finding in such form as the chief executive officer may specify. The community shall review and consolidate all such appeals and issue a written opinion stating whether the evidence presented is sufficient to justify an appeal on behalf of such persons by the community in its own name. Whether or not the community decides to appeal the Secretary's determination, copies of individual appeals shall be sent to the Secretary as they are received by the community, and the community's appeal or a copy of its decision not to appeal shall be filed with the Secretary not later than ninety days after the date of the second newspaper publication of the Secretary's notification.

(d) In the event the Secretary does not receive an appeal from the community within the ninety days provided, he shall consolidate and review on their own merits, in accordance with the procedures set forth in subsection (e), the appeals filed within the community by private persons and shall make such modifications of his proposed determinations as may be appropriate, taking into account the written opinion,

¹ See footnote 2 on previous page.

² Sec. 110 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, added a new section 1363.

if any, issued by the community in not supporting such appeals. The Secretary's decision shall be in written form, and copies thereof shall be sent both to the chief executive officer of the community and to each individual appellant.

(e) Upon appeal by any community, as provided by this section, the Secretary shall review and take fully into account any technical or scientific data submitted by the community that tend to negate or contradict the information upon which his proposed determination is based. The Secretary shall resolve such appeal by consultation with officials of the local government involved, by administrative hearing, or by submission of the conflicting data to an independent scientific body or appropriate Federal agency for advice. Until the conflict in data is resolved, and the Secretary makes a final determination on the basis of his findings in the Federal Register, and so notifies the governing body of the community, flood insurance previously available within the community shall continue to be available, and no person shall be denied the right to purchase such insurance at chargeable rates. The Secretary shall make his determination within a reasonable time. The community shall be given a reasonable time after the Secretary's final determination in which to adopt local land use and control measures consistent with the Secretary's determination. The reports and other information used by the Secretary in making his final determination shall be made available for public inspection and shall be admissible in a court of law in the event the community seeks judicial review as provided by this section.

(f)¹ When, incident to any appeal under subsection (b) or (c), the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There is authorized to be appropriated for purposes of implementing this subsection, not to exceed \$250,000.

(g)¹ Any appellant aggrieved by any final determination of the Secretary upon administrative appeal, as provided by this section, may appeal such determination to the United States district court for the district within which the community is located not more than sixty days after receipt of notice of such determination. The scope of review by the court shall be as provided by chapter 7 of title 5, United States Code. During the pendency of any such litigation, all final determinations of the Secretary shall be effective for the purposes of this title unless stayed by the court for good cause shown.

NOTICE OF FLOOD HAZARDS

SEC. 1364.² Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan

¹ Sec. 704(c) of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1363 by redesignating subsection (f) as subsection (g); and by adding a new subsection (f) after subsection (e), to be read as set forth in the text.

² Sec. 816(a) of the Housing and Community Development Act of 1974, Public Law 93-383, 88 Stat. 633, approved August 22, 1974, added this new section 1364.

associations, or similar institutions shall by regulation require such institutions, as a condition of making, increasing, extending, or renewing (after the expiration of thirty days following the date of the enactment of this section) any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary under this title or Public Law 93-234 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) of such special flood hazards, in writing, a reasonable period in advance of the signing of the purchase agreement, lease, or other documents involved in the transaction.

CHAPTER IV—APPROPRIATIONS AND MISCELLANEOUS PROVISIONS

DEFINITIONS

SEC. 1370. (a) As used in this title—

(1) the term “flood” shall have such meaning as may be prescribed in regulations of the Secretary, and may include inundation from rising waters or from the overflow of streams, rivers, or other bodies of water, or from tidal surges, abnormally high tidal water, tidal waves, tsunamis, hurricanes, or other severe storms or deluge;

(2) the terms “United States” (when used in a geographic sense) and “State” includes the several States, the District of Columbia, the territories and possessions, the Commonwealth of Puerto Rico, and the Trust Territory of the Pacific Islands;

(3) the terms “insurance company”, “other insurer” and “insurance agent or broker” include any organizations and persons authorized to engage in the insurance business under the laws of any State;

(4) the term “insurance adjustment organization” includes any organizations and persons engaged in the business of adjusting loss claims arising under insurance policies issued by any insurance company or other insurer;

(5) the term “person” includes any individual or group of individuals, corporation, partnership, association, or any other organized group of persons, including State and local governments and agencies thereof; and

(6) the term “Secretary” means the Secretary of Housing and Urban Development.

(b)¹ The term “flood” shall also include inundation from mudslides which are proximately² caused by accumulations of water on or under the ground; and all of the provisions of this title shall apply with respect to such mudslides in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such mudslides) the purposes of this title and the objectives of the program.

¹ Sec. 409(b), Housing and Urban Development Act of 1969, Public Law 91-152, approved December 24, 1969, 83 Stat. 379, 397, added subsection (b).

² Sec. 107 of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, inserted the word “proximately” before the word “caused”.

(c)¹ The term "flood" shall also include the collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, and all of the provisions of this title shall apply with respect to such collapse or subsidence in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such collapse or subsidence) the purposes of this title and the objectives of the program.

STUDIES OF OTHER NATURAL DISASTERS

SEC. 1371. (a) The Secretary is authorized to undertake such studies as may be necessary for the purpose of determining the extent to which insurance protection against earthquakes or any other natural disaster perils, other than flood, is not available from public or private sources, and the feasibility of such insurance protection being made available.

(b) Studies under this section shall be carried out, to the maximum extent practicable, with the cooperation of other Federal departments and agencies and State and local agencies, and the Secretary is authorized to consult with, receive information from, and enter into any necessary agreements or other arrangements with such other Federal departments and agencies (on a reimbursement basis) and such State and local agencies.

PAYMENTS

SEC. 1372. Any payments under this title may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

GOVERNMENT CORPORATION CONTROL ACT

SEC. 1373. The provisions of the Government Corporation Control Act shall apply to the program authorized under this title to the same extent as they apply to wholly owned Government corporations.

FINALITY OF CERTAIN TRANSACTIONS

SEC. 1374. Notwithstanding the provisions of any other law—

(1) any financial transaction authorized to be carried out under this title, and

(2) any payment authorized to be made or to be received in connection with any such financial transaction, shall be final and conclusive upon all officers of the Government.

¹ Sec. 108(b) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973, added a new subsection "(c)".

ADMINISTRATIVE EXPENSES

SEC. 1375. Any administrative expenses which may be sustained by the Federal Government in carrying out the flood insurance program authorized under this title may be paid out of appropriated funds.

APPROPRIATIONS

SEC. 1376. (a) There are hereby authorized to be appropriated such sums as may from time to time be necessary to carry out this title, including sums—

(1) to cover administrative expenses authorized under section 1375;

(2) to reimburse the National Flood Insurance Fund established under section 1310 for—

(A) premium equalization payments under section 1334 which have been made from such fund; and

(B) reinsurance claims paid under the excess loss reinsurance coverage provided under section 1335; and

(3) to make such other payments as may be necessary to carry out the purposes of this title.

(b) All such funds shall be available without fiscal year limitation.

(c)¹ There are authorized to be appropriated for studies under this title not to exceed \$100,000,000 for the fiscal year 1977 and not to exceed \$108,000,000 for the fiscal year 1978, and not to exceed \$114,000,000 for the fiscal year 1979.

EFFECTIVE DATE

SEC. 1377. This title shall take effect one hundred and twenty days following the date of its enactment, except that the Secretary,² on the basis of a finding that conditions exist necessitating the prescribing of an additional period, may prescribe a later effective date which in no event shall be more than one hundred and eighty days following such date of enactment.

Approved August 1, 1968.

EXCERPT FROM FEDERAL FLOOD INSURANCE ACT OF 1956

[79 Stat. 1078]

* * * * *

FUNDS AND TREASURY BORROWINGS

SEC. 15. * * *

(e)³ The Secretary is authorized to issue to the Secretary of the Treasury from time to time and have outstanding at any one time, in

¹ Sec. 14(c) of the Housing Authorization Act of 1976, Public Law 94-375, approved August 3, 1976, 90 Stat. 1067, amended section 1376 of the National Flood Insurance Act of 1968 by adding a new subsection "c" at the end thereof. Sec. 702 of the Housing and Community Development Act of 1977, Public Law 95-128, approved October 12, 1977, amended section 1376(c) by inserting before the period at the end thereof "and not to exceed \$108,000,000 for the fiscal year 1978". The phrase ", and not to exceed \$114,000,000 for the fiscal year 1979" was inserted by Sec. 309, Housing and Community Development Amendments of 1978, Public Law 95-557, 92 Stat. 2080, approved October 31, 1978.

² On November 27, 1968, the Secretary gave notice that the effective date would be January 28, 1969 (33 Fed. Reg. 17804).

³ Sec. 1303, Housing and Urban Development Act of 1968, Public Law 90-448, approved August 1, 1968, 82 Stat. 476, 573, repealed all of the Federal Flood Insurance Act of 1956, except section 15(e). Sec. 1303 also amended section 15(e) to read as set forth in the text.

an amount not exceeding \$500,000,000 (or such greater amount as may be approved by the President) notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations.

CONSOLIDATED FARMERS HOME ADMINISTRATION

CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961, AS AMENDED

[Public Law 87-128, 75 Stat. 307, 7 U.S.C. 1921]

§ 1921. Congressional findings

The Congress hereby finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this chapter as the "Secretary," for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

§ 1922. Persons eligible for loans

The Secretary is authorized to make and insure loans under this subchapter to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background, except with respect to veterans as defined in section 1983(e) of this title, a farm background shall not be required as a condition precedent to obtaining any loan, and either training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, (3) are or will become owner-operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

§ 1923. Purposes of loans; preferences

(a)¹ Loans may be made or insured under this subchapter for (1) acquiring, enlarging, or improving farms, including farm buildings, land and water development, use and conservation, (2) recreational uses and facilities, (3) enterprises needed to supplement farm income, (4) refinancing existing indebtedness, and (5) loan closing costs. In making or insuring loans for farm purchase, the Secretary shall give preference to persons who are married or have dependent families and, wherever practicable, to persons who are able to make initial downpayments, or who are owners of livestock and farm implements necessary successfully to carry on farming operations.

(b)¹ For purposes of this subtitle—

(1) the term "improving farms" includes, but is not limited to, the acquisition and installation of any qualified non-fossil energy system in any residential structure located on a family farm; and

(2) the term "qualified non-fossil energy system" means any system that utilizes technologies to generate fuel, energy, or

¹ Sec. 1448 of the Food and Agriculture Act of 1977. Public Law 95-113, approved September 29, 1977, amended section 1923 by inserting (a) and inserted new subsection (b).

energy intensive products from products other than fossil fuels as included in the Federal Non-Nuclear Energy Research and Development Act of 1974, as amended, which meets such standards as may be prescribed by the Secretary, taking into consideration appropriate and available standards prescribed by the Secretary of Housing and Urban Development.

§ 1924. Soil and water conservation, recreational facilities and uses, and rural enterprise loans

(a) Loans may also be made or insured under this subchapter to any farmowners or tenants without regard to the requirements of section 1922(1), (2), and (3) of this title for the purposes only of land and water development, use and conservation, not including recreational uses and facilities, and without regard to the requirements of section 1922(2) and (3) of this title, to individual farmowners or tenants to finance outdoor recreational enterprises or to convert to recreational uses their farming or ranching operations, including those heretofore financed under this chapter.

(b) Loans may also be made or insured under this subchapter to residents of rural areas without regard to the requirements of clauses (2) and (3) of section 1922 of this title to acquire or establish in rural areas small business enterprises to provide such residents with essential income.

§ 1925. Limitation on amount of loan

The Secretary shall make or insure no loan under sections 1922, 1923, and 1924 of this title which would cause (a) the unpaid indebtedness against the farm or other security at the time the loan is made to exceed \$225,000 or the value of the farm or other security (b) the loans under such sections to any one borrower to exceed \$100,000, or (c) the loan to exceed the amount certified by the county committee. In determining the value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary.

§ 1926. Water and waste facility loans and grants—Criteria; definitions; limitation on allowable uses of Federal funds; inclusion of interest or other income in gross income on sale of insured loan

(a)(1) The Secretary is also authorized to make or insure loans to associations, including corporations not operated for profit, Indian tribes on Federal and State reservations and other federally recognized Indian tribes, and public and quasi-public agencies to provide for the application or establishment of soil conservation practices, shifts in land use, the conservation, development, use, and control of water, and the installation or improvement of drainage or waste disposal facilities, recreational developments, and essential community facilities including necessary related equipment, all primarily serving farmers, ranchers, farm tenants, farm laborers, and other rural residents, and to furnish financial assistance or other aid in planning projects for such purposes. When any loan made for a purpose specified in this paragraph is sold out of the Agricultural Credit Insurance Fund as an insured loan, the interest or other income thereon paid to an insured holder shall be included in gross income for purposes of chapter 1 of Title 26.

(2) The Secretary is authorized to make grants aggregating not to exceed \$300,000,000 in any fiscal year to such associations to finance specific projects for works for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of any grant made under the authority of this paragraph shall not exceed 50 per centum of the development cost of the project to serve the area which the association determines can be feasibly served by the facility and to adequately serve the reasonably foreseeable growth needs of the area.

(3) No grant shall be made under paragraph (2) of this subsection in connection with any project unless the Secretary determines that the project (i) will serve a rural area which, if such project is carried out, is not likely to decline in population below that for which the project was designed, (ii) is designed and constructed so that adequate capacity will or can be made available to serve the present population of the area to the extent feasible and to serve the reasonably foreseeable growth needs of the area, and (iii) is necessary for an orderly community development consistent with a comprehensive community water, waste disposal, or other development plan of the rural area and not inconsistent with any planned development provided in any State, multijurisdictional, county, or municipal plan approved by competent authority for the area in which the rural community is located, and the Secretary shall require the submission of all applications for financial assistance under this section to the multijurisdictional substate areawide general purpose planning and development agency that has been officially designated as a clearinghouse agency under Office of Management and Budget Circular A-95 and to the county or municipal government having jurisdiction over the area in which the proposed project is to be located for review and comment within a designated period of time not to exceed 30 days concerning among other considerations, the effect of the project upon the areawide goals and plans of such agency or government. No loan under this section shall be made that is inconsistent with any multijurisdictional planning and development district areawide plan of such agency. The Secretary is authorized to reimburse such agency or government for the cost of making the required review. Until October 1, 1973, the Secretary may make grants prior to the completion of the comprehensive plan, if the preparation of such plan has been undertaken for the area.

(4) (A) The term "development cost" means the cost of construction of a facility and the land, easements, and rights-of-way, and water rights necessary to the construction and operation of the facility.

(B) The term "project" shall include facilities providing central service or facilities serving individual properties, or both.

(5) Repealed. Pub. L. 92-419, Title I, § 110, Aug. 30, 1972, 86 Stat. 659.

(6) The Secretary may make grants aggregating not to exceed \$30,000,000 in any fiscal year to public bodies or such other agencies as the Secretary may determine having authority to prepare comprehensive plans for the development of water or waste disposal systems in rural areas which do not have funds available for immediate undertaking of the preparation of such plan.

(7) As used in this chapter, the terms "rural" and "rural area" shall not include any area in any city or town which has a popula-

tion in excess of ten thousand inhabitants, except that for purposes of loans and grants for private business enterprises under sections 1924(b), 1932, and 1942(b), (c), and (d) of this title the terms "rural" and "rural area" may include all territory of a State, the Commonwealth of Puerto Rico and the Virgin Islands, that is not within the outer boundary of any city having a population of fifty thousand or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than one hundred persons per square mile, as determined by the Secretary of Agriculture according to the latest decennial census of the United States: *Provided*, That special consideration for such loans and grants shall be given to areas other than cities having a population of more than twenty-five thousand.

(8) In each instance where the Secretary receives two or more applications for financial assistance for projects that would serve substantially the same group of residents within a single rural area, and one such application is submitted by a city, town, county or other unit of general local government, he shall, in the absence of substantial reasons to the contrary, provide such assistance to such city, town, county or other unit of general local government.

(9) No Federal funds shall be authorized for use unless it be certified by the appropriate State water pollution control agency that the water supply system authorized will not result in pollution of waters of the State in excess of standards established by that agency.

(10) In the case of sewers and waste disposal systems, no Federal funds shall be advanced hereunder unless the appropriate State water pollution control agency shall certify that the effluent therefrom shall conform with appropriate State and Federal water pollution control standards when and where established.

(11) The Secretary may make grants, not to exceed \$10,000,000 annually, to public bodies or such other agencies as he may select to prepare comprehensive plans for rural development or such aspects of rural development as he may specify.

(12) In the making of loans and grants for community waste disposal and water facilities under paragraphs (1) and (2) of this subsection the Secretary shall accord highest priority to the application of any municipality or other public agency (including an Indian tribe on a Federal or State reservation or other federally recognized Indian tribal group) in a rural community having a population not in excess of five thousand five hundred and which, in the case of water facility loans, has a community water supply system, where the Secretary determines that due to unanticipated diminution or deterioration of its water supply, immediate action is needed, or in the case of waste disposal, has a community waste disposal system, where the Secretary determines that due to unanticipated occurrences the system is not adequate to the needs of the community. The Secretary shall utilize the Soil Conservation Service in rendering technical assistance to applicants under this paragraph to the extent he deems appropriate.

(13) (A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

(B) For the purposes of this subsection, the term "eligible volunteer fire department" means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary.

CURTAILMENT OR LIMITATION OF SERVICE PROHIBITED

(b) The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

(c) Repealed. Public Law 91-606, Title III, § 302(2), December 31, 1970, 84 Stat. 1759.

CARRYOVER OF UNUSED AUTHORIZATIONS FOR APPROPRIATIONS

(d) Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year.

§ 1927. Repayment period; interest rate; generally, rural development other than guaranteed loans and guaranteed loans; fees, charges, and escrow payment of taxes and insurance; mortgages, liens, and other security

(a) The period for repayment of loans under this subchapter shall not exceed forty years. The Secretary shall from time to time establish the interest rate or rates at which loans for various purposes will be made or insured under this subchapter but not in excess of 5 per centum per annum; except that loans (other than loans to public bodies or nonprofit associations (including Indian tribes on Federal and State reservations and other federally recognized Indian tribal groups) for community facilities, or loans of a type authorized by section 1926(a) (1) of this title prior to its amendment by the Rural Development Act of 1972) made or insured under section 1924(b), 1926(a) (1), or 1932 of this title shall—

(1) when made other than as guaranteed loans, bear interest at a rate, prescribed by the Secretary, not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States comparable to the average maturities of such loans, adjusted in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the private market for similar loans and considering the Secretary's insurance of the loans, plus an additional charge, prescribed by the Secretary, to cover the Secretary's losses and cost of administration, which charge shall be deposited in the Rural De-

velopment Insurance Fund: *Provided*, That the rate so prescribed shall be adjusted to the nearest one-eighth of 1 per centum; and

(2) when made as guaranteed loans, bear interest at such rate as may be agreed upon by the borrower and the lender.

The borrower shall pay such fees and other charges as the Secretary may require, and borrowers under this chapter shall prepay to the Secretary as escrow agent such taxes and insurance as he may require, on such terms and conditions as he may prescribe.

(b) The Secretary shall take as security for the obligations entered into in connection with loans, mortgages on farms with respect to which such loans are made or such other security as the Secretary may require, and for obligations in connection with loans to associations under section 1926 of this title, shall take liens on the facility or such other security as he may determine to be necessary. Such security instruments may constitute liens running to the United States notwithstanding the fact that the notes may be held by lenders other than the United States.

§ 1928. Insurance of loans; servicing and purchase of loans; retention of charges out of payments; full faith and credit of United States; incontestability

Loans under this subchapter may be insured by the Secretary whenever funds are advanced or a loan is purchased by a lender other than the United States. In connection with insurance of loans, the Secretary—

(a) is authorized to make agreements with respect to the servicing of loans insured hereunder and to purchase such loans on such terms and conditions as he may prescribe; and

(b) may retain out of payments by the borrower a charge at a rate specified in the insurance agreement applicable to the loan.

Any contract of insurance executed by the Secretary under this subchapter shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

§ 1929. Agricultural Credit Insurance Fund—Revolving fund

(a) The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this subchapter referred to as the "fund". The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this subchapter and loans and mortgages insured under prior authority.

DEPOSITS OF FUNDS; INVESTMENTS; PURCHASE OF NOTES

(b) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

NOTES: FORM AND DENOMINATIONS; MATURITIES; TERMS AND CONDITIONS;
INTEREST RATE; PURCHASE BY TREASURY; PUBLIC DEBT TRANSACTION

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this section and for authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this subchapter. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

NOTES AND SECURITY AS PART OF FUND; COLLECTION OR SALE OF NOTES;
DEPOSIT OF NET PROCEEDS IN FUND

(d) Notes and security acquired by the Secretary in connection with loans insured under this subchapter and under prior authority shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

DEPOSIT IN FUND OF PORTION OF CHARGE ON OUTSTANDING PRINCIPAL OBLIGATIONS; AVAILABILITY OF REMAINDER OF CHARGE, AND MERGER WITH APPROPRIATIONS, FOR ADMINISTRATIVE EXPENSES

(e) The Secretary shall deposit in the fund all or a portion, not to exceed one-half of 1 per centum of the unpaid principal balance of the loan, of any charge collected in connection with the insurance of loans; and any remainder of any such charge shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually and become merged with any appropriation for administrative expenses.

UTILIZATION OF FUND

(f) The Secretary may utilize the fund—

(1) to make loans which could be insured under this subchapter whenever the Secretary has reasonable assurance that they can be sold without undue delay, and may sell and insure such loans. The

aggregate of the principal of such loans made and not disposed of shall not exceed \$500,000,000 at any one time;

(2) to pay amounts to which the holder of the note is entitled on loans heretofore or hereafter insured accruing between the date of any payments made by the borrower and the date of transmittal of any such payments to the lender. In the discretion of the Secretary, payments other than final payments need not be remitted to the holder until due or until the next agreed annual or semiannual remittance date;

(3)¹ to pay to the holder of the notes any deferred or defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with agreements previously entered into; and

(5) to pay for contract services, taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections and other expenses and advances authorized in connection with insured loans, including the difference between interest payable by borrowers and interest to which insured lenders or insured holders are entitled under agreements with the Secretary included in contracts of insurance.

TRANSFER OF FUNDS FROM FARMERS HOME ADMINISTRATION DIRECT LOAN ACCOUNT AND EMERGENCY CREDIT REVOLVING FUND; ABOLITION OF SUCH ACCOUNT AND FUND; PAYMENTS FROM AGRICULTURAL CREDIT INSURANCE FUND; INTEREST

(g) (1) The assets and liabilities of, and authorizations applicable to, the Farmers Home Administration direct loan account created by section 1988(c) of this title and the Emergency Credit Revolving Fund referred to in section 1966 of this title are hereby transferred to the fund, and such account and such revolving fund are hereby abolished. Such assets and their proceeds, including loans made out of the fund pursuant to this section, shall be subject to the provisions of this section, section 1928, the last sentence of section 1926(a) (1), and the last sentence of section 1927 of this title.

(2) From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the value as determined by the Secretary, with the approval of the Comptroller General, of the Government's equity transferred to the fund pursuant to the first sentence of this subsection plus the cumulative amount of appropriations made available after enactment of this provision as capital and for administration of the programs financed from the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of loans made or insured from the fund, adjusted to the nearest one-eighth of 1 per centum. Interest payments may be deferred with the approval of the Secretary of the

¹ Sec. 1510 of the Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended section 1929 by inserting "deferred or".

Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

GUARANTEED LOANS

(h) The Secretary may provide financial assistance to borrowers for purposes provided in this chapter by guaranteeing loans made by any Federal or State chartered bank, savings and loan association, cooperative lending agency, or other legally organized lending agency.

§ 1929a. Rural Development Insurance Fund—Creation; revolving fund; rural development loans

(a) There is hereby created the Rural Development Insurance Fund (hereinafter in this section referred to as the "Insurance Fund") which shall be used by the Secretary as a revolving fund for the discharge of the obligations of the Secretary under contracts guaranteeing or insuring rural development loans. For the purpose of this section "rural development loans" shall be those provided for by sections 1924(b), 1926(a) (1), 1932, and 1942(b) of this title, except loans (other than for water systems and waste disposal facilities) of a type authorized by section 1926(a) (1) of this title prior to its amendment by the Rural Development Act of 1972.

TRANSFER OF FUNDS

(b) The assets and liabilities of the Agricultural Credit Insurance Fund referred to in section 1929(a) of this title applicable to loans for water systems and waste disposal facilities under section 1926(a) (1) of this title are hereby transferred to the Insurance Fund. Such assets (including the proceeds thereof) and liabilities and rural development loans guaranteed or insured pursuant to this subchapter shall be subject to the provisions of this section and section 1928 of this title.

CREDITS IN THE TREASURY; INVESTMENTS; NOTES, PURCHASING AUTHORITY OF THE SECRETARY

(c) Moneys in the Insurance Fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the Insurance Fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the Insurance Fund any notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the Insurance Fund.

NOTES, ISSUING AUTHORITY OF THE SECRETARY; USE OF FUNDS; TERMS AND CONDITIONS, FORM, DENOMINATIONS, MATURITIES, AND INTEREST RATE OF NOTES; NOTES, PURCHASING AUTHORITY OF THE SECRETARY OF THE TREASURY; PUBLIC DEBT TRANSACTIONS

(d) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds neces-

sary for discharging obligations under this section and for making loans, advances, and authorized expenditures out of the Insurance Fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the average maturities of rural development loans made, guaranteed, or insured under this chapter. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary hereunder. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

NOTES AND SECURITY AS PART OF INSURANCE FUND; COLLECTION AND SALE OF NOTES; DEPOSIT OF NET PROCEEDS IN INSURANCE FUND

(e) Notes and security acquired by the Secretary in connection with rural development loans made, guaranteed, or insured under this chapter or transferred by subsection (b) of this section shall become a part of the Insurance Fund. Notes may be held in the Insurance Fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the Insurance Fund.

DEPOSIT OF LOAN SERVICE CHARGES IN INSURANCE FUND

(f) The Secretary shall deposit in the Insurance Fund any charges collected for loan services provided by the Secretary as well as charges assessed for losses and costs of administration in connection with making, guaranteeing, or insuring rural development loans under this chapter.

USE OF INSURANCE FUND

(g) The Secretary may utilize the Insurance Fund—

(1) to make rural development loans which could be insured under this chapter whenever he has a reasonable assurance that they can be sold without undue delay, and he may sell and insure such loans;

(2) to pay amounts to which the holder of insured notes is entitled on loans heretofore or hereafter insured accruing between the date of any payments by the borrower and the date of transmittal of any such payments to the holder. In the discretion of the Secretary, payments other than final payments need not be remitted to the holder until due or until the next agreed annual or semiannual remittance date;

(3)¹ to pay to the holder of insured notes any deferred or defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

(4) to purchase notes in accordance with contracts of insurance heretofore or hereafter entered into by the Secretary;

(5) to make payments in compliance with the Secretary's obligations under contracts of guarantee entered into by him;

(6) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 1985(a) of this title in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with acquisition by the Secretary of such loans or security therefor after default, to an extent determined by the Secretary to be necessary to protect the interest of the Government, or in connection with grants and any other activity authorized in this chapter;

(7) to pay the difference between interest payments by borrowers and interest to which holders of insured notes are entitled under contracts of insurance heretofore or hereafter entered into by the Secretary; and

(8) to pay the Secretary's costs of administration of the rural development loan program, including costs of the Secretary incidental to guaranteeing rural development loans under this chapter.

GROSS INCOME; INTEREST OR OTHER INCOME ON INSURED LOANS

(h) When any loan is sold out of the Insurance Fund as an insured loan, the interest or other income thereon paid to an insured holder shall be included in gross income for purposes of chapter 1 of Title 26.

§ 1930. Continued availability of appropriated funds for direct real estate loans to farmers and ranchers

Funds appropriated for the purpose of making direct real estate loans to farmers and ranchers under this subchapter shall remain available until expended.

§ 1931. Insured watershed and resource conservation and development loans

Loans meeting the requirements of the Watershed Protection and Flood Prevention Act or title III of the Bankhead-Jones Farm Tenant Act may be insured, or made to be sold and insured, in accordance with and subject to sections 1928 and 1929, the last sentence of section 1926(a) (1), and the last sentence of section 1927 of this title.

§ 1932. Rural industrialization assistance—Loans for private business enterprises and pollution abatement and control projects; loan guarantees

¹ Sec. 1510 of the Food and Agriculture Act of 1977, Public Law 95-113, September 29, 1977, amended paragraph (3) by inserting "deferred or".

(a)¹ The Secretary may also make and insure loans to public, private, or cooperative organizations organized for profit or nonprofit, to Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, or to individuals for the purpose of improving, developing, or financing business, industry, and employment and improving the economic and environmental climate in rural communities, including pollution abatement and control, and the conservation, development, and utilization of water for aquaculture purposes. Such loans, when originated, held, and serviced by other lenders, may be guaranteed by the Secretary under this section without regard to subsections (a) and (c) of section 1983 of this title. As used in this subsection, the term "aquaculture" means the culture or husbandry of aquatic animals or plants by private industry for commercial purposes including the culture and growing of fish by private industry for the purpose of creating or augmenting publicly owned and regulated stocks of fish.

GRANTS FOR POLLUTION ABATEMENT AND CONTROL PROJECTS;
LIMITATIONS

(b) The Secretary may make grants, not to exceed \$50,000,000 annually, to eligible applicants under this section for pollution abatement and control projects in rural areas. No such grant shall exceed 50 per centum of the development cost of such a project.

GRANTS FOR PRIVATE BUSINESS ENTERPRISES; LIMITATIONS

(c) The Secretary may also make grants, not to exceed \$50,000,000 annually, to public bodies for measures designed to facilitate development of private business enterprises, including the development, construction or acquisition of land, buildings, plants, equipment, access streets and roads, parking areas, utility extensions, necessary water supply and waste disposal facilities, refinancing, services and fees.

JOINT LOANS OR GRANTS FOR PRIVATE BUSINESS ENTERPRISES; RESTRICTIONS; SYSTEM OF CERTIFICATION FOR EXPEDITIOUS PROCESSING OF REQUESTS FOR ASSISTANCE; PRIOR APPROVAL OF GRANT OR LOAN; EQUITY INVESTMENT AS CONDITION FOR LOAN COMMITMENT; ISSUANCE OF CERTIFICATES OF BENEFICIAL OWNERSHIP OF NOTES

(d) The Secretary may participate in joint financing to facilitate development of private business enterprises in rural areas with the Economic Development Administration, the Small Business Administration, and the Department of Housing and Urban Development and other Federal and State agencies and with private and quasi-public financial institutions, through joint loans to applicants eligible under subsection (a) of this section for the purpose of improving, developing, or financing business, industry, and employment and improving the economic and environmental climate in rural areas or through joint grants to applicants eligible under subsection (c) of this section for such purposes, including in the case of loans or grants

¹ Sec. 1503 of Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended § 1932 as set forth in the text.

the development, construction, or acquisition of land, buildings, plants, equipment, access streets and roads, parking areas, utility extensions, necessary water supply and waste disposal facilities, refining, service and fees.

(1) No financial or other assistance shall be extended under any provision of sections 1924(b), 1932, and 1942(b) of this title that is calculated to or is likely to result in the transfer from one area to another of any employment or business activity provided by operations of the applicant, but this limitation shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations unless there is reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(2) No financial or other assistance shall be extended under any provision of sections 1924(b), 1932, and 1942(b) of this title which is calculated to or likely to result in an increase in the production of goods, materials, or commodities, or the availability of services or facilities in the area, when there is not sufficient demand for such goods, materials, commodities, services, or facilities, to employ the efficient capacity of existing competitive commercial or industrial enterprises, unless such financial or other assistance will not have an adverse effect upon the existing competitive enterprises in the area.

(3) No financial or other assistance shall be extended under any provision of sections 1924(b), 1932, and 1942(b) of this title if the Secretary of Labor certifies within 60 days after the matter has been submitted to him by the Secretary of Agriculture that the provisions of paragraph (1) and (2) of this subsection have not been complied with. The Secretary of Labor shall, in cooperation with the Secretary of Agriculture, develop a system of certification which will insure the expeditious processing of requests for assistance under this section.

(4) No grant or loan authorized to be made under this chapter shall require or be subject to the prior approval of any officer, employee, or agency of any State.

(5) No loan commitment issued under this section, section 1924 of this title, or section 1942 of this title shall be conditioned upon the applicant investing in excess of 10 per centum in the business or industrial enterprise for which purpose the loan is to be made unless the Secretary determines there are special circumstances which necessitate an equity investment by the applicant greater than 10 per centum.

(6) No provision of law shall prohibit issuance by the Secretary of certificates evidencing beneficial ownership in a block of notes insured or guaranteed under this chapter or Title V of the Housing Act of 1949; any sale by the Secretary of such certificates shall be treated as a sale of assets for the purposes of the Budget and Accounting Act of 1921. Any security representing beneficial ownership in a block of notes guaranteed or insured under this chapter or Title V of the Housing Act of 1949 issued by a private entity shall be exempt from laws administered by the Securities and Exchange Commission, except sec-

tions 77q, 77v, and 77x of Title 15; however, the Secretary shall require (i) that the issuer place such notes in the custody of an institution chartered by a Federal or State agency to act as trustee and (ii) that the issuer provide such periodic reports of sales as the Secretary deems necessary.

§ 1933. Guaranteed rural housing loans; Hawaiian home lands

(a) Rural Housing Loans which (1) are guaranteed by the Secretary under section 517(a) (2) of the Housing Act of 1949, (2) are made by other lenders approved by the Secretary to provide dwellings in rural areas for the applicants' own use, and (3) bear interest and other charges at rates not above the maximum rates prescribed by the Secretary of Housing and Urban Development for loans made by private lenders for similar purposes and guaranteed by the Secretary of Housing and Urban Development under the National Housing Act or superseding legislation shall not be subject to sections 501(c) and 502 (b) (3) of the Housing Act of 1949.

(b) For the purposes of title V of the Housing Act of 1949, as amended, a guarantee of payment given under the color of law by the Department of Hawaiian Home Lands (or its successor in function) shall be found by the Secretary reasonably to assure repayment of any indebtedness so guaranteed.

§ 1941. Persons eligible for loans

(a) The Secretary is authorized to make loans under this subchapter to farmers and ranchers in the United States and in Puerto Rico and the Virgin Islands who (1) are citizens of the United States, (2) have a farm background and training or farming experience which the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, (3) are or will become operators of not larger than family farms, and (4) are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and co-operative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

(b) (1) Loans may also be made under this subchapter without regard to the requirements of clauses (2) and (3) of subsection (a) of this section to youths who are rural residents to enable them to operate enterprises in connection with their participation in 4-H Clubs, Future Farmers of America, and similar organizations and for the purposes specified in section 1942 of this title.

(2) A person receiving a loan under this subsection who executes a promissory note therefor shall thereby incur full personal liability for the indebtedness evidenced by such note in accordance with its terms free of any disability of minority.

(3) For loans under this subsection the Secretary may accept the personal liability of a cosigner of the promissory note in addition to the borrowers' personal liability.

§ 1942. Purposes of loans; grants for pollution abatement and control projects, limitations

(a)¹ Loans may be made under this subchapter for (1) paying costs incident to reorganizing the farming system for more profita-

¹ Sec. 1448 of the Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended section 1942 to read as set forth in the text.

ble operation, (2) purchasing livestock, poultry, and farm equipment (including equipment which utilizes solar energy), (3) purchasing feed, seed, fertilizer, insecticides, and farm supplies and to meet other essential farm operating expenses including cash rent, (4) financing land and water development, use, and conservation, (5) without regard to the requirements of section 1941(a)(2) and (3) of this title, to individual farmers or ranchers to finance outdoor recreational enterprises or to convert to recreational uses their farming or ranching operations, including those heretofore financed under this chapter, (6) enterprises needed to supplement farm income, (7) refinancing existing indebtedness, (8) other farm and home needs including but not limited to family subsistence, (9) loan closing costs, and (10) for assisting farmers or ranchers in effecting additions to or alterations in the equipment, facilities, or methods of operation of their farms or ranches in order to comply with the applicable standards promulgated pursuant to section 655 of Title 29 or standards adopted by a State pursuant to a plan approved under section 667 of Title 29, if the Secretary determines that any such farmer or rancher is likely to suffer substantial economic injury due to such compliance without assistance under this paragraph. For the purposes of this subtitle, the term "solar energy" means energy derived from sources (other than fossil fuels) and technologies included in the Federal Non-Nuclear Energy Research and Development Act of 1974, as amended.¹

(b) Loans may also be made under this subchapter to residents of rural areas without regard to the requirements of clauses (2) and (3) of section 1941(a) of this title to operate in rural areas small business enterprises to provide such residents with essential income.

(c) Loans may also be made to eligible applicants under this subchapter for pollution abatement and control projects in rural areas.

(d) The Secretary may make grants, not to exceed \$25,000,000 annually, to eligible applicants under this subchapter for pollution abatement and control projects in rural areas. No such grant shall exceed 50 per centum of the development cost of such a project.

§ 1943. Limitations and prohibitions on loans

The Secretary shall make no loan under this subchapter (1) which would cause the total principal indebtedness outstanding at any one time for loans made under this subchapter and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed \$50,000, (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program, or (3) in excess of an amount certified by the county committee.

§ 1944. Soil conservation district loans; limitation; purchase of conservation equipment

Loans aggregating not more than \$500,000 in any one year may also be made to soil conservation districts which cannot obtain necessary credit elsewhere upon reasonable terms and conditions for the purchase of equipment customarily used for soil conservation purposes.

¹ Sec. 1448 of the Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended section 1942 to read as set forth in the text.

§ 1945. Participating loans

The Secretary is authorized to participate in loans which could otherwise be made by the Secretary under this subchapter which are made by commercial banks, cooperative lending agencies, or other legally organized agricultural lending agencies up to 80 per centum of the amount of the loan.

§ 1946. Liability of borrower; interest rate; security; maturity; renewal

The Secretary shall make all loans under this subchapter upon the full personal liability of the borrower and upon such security as the Secretary may prescribe. Such loans shall be payable in not more than seven years, but may be renewed for not more than five additional years. Loans made under this subchapter shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus not to exceed 1 per centum per annum as determined by the Secretary.

§ 1947. Insured operating loans

Loans meeting the requirements of this subchapter (except section 1942(b) of this title) may be insured, or made to be sold and insured, in accordance with and subject to sections 1928 and 1929 and the last sentence of section 1927 of this title.

§ 1961. Designation of emergency areas; persons eligible for loans

(a) The Secretary shall designate any area in the United States and in Puerto Rico and the Virgin Islands as an emergency area if he finds (1) that there exists in such area a general need for agricultural credit, and (2) that the need for such credit in such area is the result of a natural disaster.

(b) The Secretary shall make loans in any such area designed by the Secretary in accordance with subsection (a) of this section and in any area designated as a major disaster by the President pursuant to the provisions of the Disaster Relief Act of 1970, as amended, (1) to established farmers, ranchers, or oyster planters who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting: *Provided*, That they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan. Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources.

§ 1962. Purpose of loans

Loans may be made under this subchapter for any of the purposes authorized for loans under subchapter I or II of this chapter.

§ 1963. Limitation of loans to amount certified by county committee

The Secretary shall make no loan under this subchapter in excess of an amount certified by the county committee.

§ 1964. Liability of borrowers; interest rate; maturity; security

The Secretary shall make all loans under this subchapter at a rate of interest not in excess of 5 per centum per annum repayable at such times as the Secretary may determine, taking into account the purpose of the loan and the nature and effect of the emergency, but not later than provided for loans for similar purposes under subchapters I and II of this chapter, and upon the full personal liability of the borrower and upon such security as the Secretary may prescribe.

§ 1965. Persons suffering isolated production losses and indebted borrowers eligible for loans

The Secretary may make loans without regard to the designation of emergency areas under section 1961(a) of this title to persons or corporations (1) who have suffered severe production losses not general to the area or (2) who are indebted to the Secretary for loans under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, as amended, to the extent necessary to permit the orderly repayment or liquidation of said prior indebtedness.

§ 1966. Emergency Credit Revolving Fund utilization

The Secretary is authorized to utilize the revolving fund created by section 1148a of Title 12 (hereinafter in this subchapter referred to as the "Emergency Credit Revolving Fund") for carrying out the purposes of this subchapter.

§ 1967. Emergency Credit Revolving Fund appropriations

(a) All sums received by the Secretary from the liquidation of loans made under the provisions of this subchapter or under the Act of April 6, 1949, as amended, or the Act of August 31, 1954, and from the liquidation of any other assets acquired with money from the Emergency Credit Revolving Fund shall be added to and become a part of such fund.

(b) There are authorized to be appropriated to the Emergency Credit Revolving Fund such additional sums as the Congress shall from time to time determine to be necessary.

§ 1968. Insurance of loans

Loans meeting the requirements of this subchapter and any amendatory or supplementary Act may be insured, or made to be sold and insured, in accordance with and subject to sections 1928 and 1929 and the last sentence of section 1927 of this title: *Provided*, That loans made under this section shall not be included in applying the \$500,000,000 limitation in section 1929(f) (1) of this title.

§ 1969. Repealed.

§ 1981. Farmers Home Administration; appointment and compensation of Administrator; transfer of powers, duties and assets pertaining to agricultural credit; powers of Secretary of Agriculture

For the purposes of this chapter and for the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the Act of August 28, 1937, as amended, the Act of April 6, 1949, as amended, the Act

of August 31, 1954, as amended, and the powers and duties of the Secretary under any other Act authorizing agricultural credit, the Secretary may assign and transfer such powers, duties, and assets to the Farmers Home Administration, to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate, without regard to the civil service laws or chapter 51 and subchapter III of chapter 53 of Title 5, who shall receive basic compensation as provided by law for that office.

The Secretary may—

(a) administer his powers and duties through such national, area, State, or local offices and employees in the United States and in Puerto Rico and the Virgin Islands as he determines to be necessary and may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not sufficient to justify separate State offices, and until January 1, 1975, make contracts for services incident to making, insuring, collecting, and servicing loans and property as determined by the Secretary to be necessary for carrying out the purposes of this chapter; (and the Secretary shall prior to June 30, 1974, report to the Congress through the President on the experience in using such contracts, together with recommendations for such legislation as he may see fit);

(b) accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

(c) within the limits of appropriations made therefor, make necessary expenditures for purchase or hire of passenger vehicles, and such other facilities and services as he may from time to time find necessary for the proper administration of this Act;

(d) compromise, adjust, or reduce claims, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require, but compromises, adjustments, or reductions of claims of \$15,000 or more shall not be made without the approval of the Administrator: *Provided, however, That—*

(1) compromise, adjustment, or reduction of claims shall be based on the value of the security and a determination by the Secretary of the debtor's reasonable ability to pay considering his other assets and income at the time of the action and with or without the payment of any consideration at the time of such adjustment or reduction;

(2) releases from personal liability may also be made with or without payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to approved applicants under agreements assuming the outstanding secured indebtedness;

(B) borrowers who have transferred the security property to approved applicants under agreements assuming that portion of the secured indebtedness equal to the cur-

rent market value of the security property or transferred the security property to the Secretary;

(C) borrowers who have transferred the security property to other than approved applicants under agreements assuming the full amount of, or that portion of the secured indebtedness equal to, the current market value of the security property on terms not to exceed five annual installments with interest on the unpaid balance at a rate determined by the Secretary; and

(D) borrowers who transfer security property under subparagraphs (B) and (C) above for amounts less than the indebtedness secured thereby may be released from personal liability only on a determination by the Secretary that each such borrower has no reasonable debt-paying ability considering his assets and income at the time of the transfer and the county committee certifies that the borrower has cooperated in good faith, used due diligence to maintain the security property against loss, and has otherwise fulfilled the covenants incident to his loan to the best of his ability;

(3) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 1982 of this title; and

(4) any claim which has been due and payable for five years or more and where the debtor has no assets or no apparent future debt-paying ability from which the claim could be collected, or is deceased and has left no estate, or has been absent from his last known address for a period of at least five years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the county committee and of the employee having charge of the claim, and any claim involving a principal balance of \$150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and

(5) partial releases and subordination of mortgages may be granted either where the secured indebtedness remaining after the transaction will be adequately secured or the security interest of the Secretary will not be adversely affected, and the transaction and use of proceeds will further the purposes for which the loan was made, improve the borrower's debt-paying ability, permit payments on indebtedness owed to or insured by the Secretary, or permit payment of reasonable costs and expenses incident to the transaction, including taxes incident to or resulting from the transaction which the borrower is unable to pay from other sources:

Provided further, That no such compromise, adjustment, or reduction shall be made hereunder after the claim has been referred to the Attorney General unless agreed to by the Attorney General;

(e) collect all claims and obligations arising or administered under this chapter, or under any mortgage, lease, contract, or

agreement entered into or administered pursuant to this chapter and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction;

(f) release mortgage and other contract liens if it appears that they have no present or prospective value or that their enforcement likely would be ineffectual or uneconomical;

(g) obtain fidelity bonds protecting the Government against fraud and dishonesty of officers and employees of the Farmers Home Administration in lieu of faithful performance of duties bonds under section 14 of Title 6, and regulations issued pursuant thereto, but otherwise in accordance with the provisions thereof;

(h) not require borrowers to pay interest accrued after December 31, 1972, on interest which is not more than 90 days overdue on any loan held or insured by the Farmers Home Administration;

(i) consent to the transfer of property securing any loan or financed by any loan or grant made, insured, or held by the Secretary under this chapter, or the provisions of any other law administered by the Farmers Home Administration, upon such terms as he deems necessary to carry out the purpose of the loan or grant or to protect the financial interest of the Government.

§ 1982. County committees—Appointment; term; alternates; removal for cause

(a) The Secretary is authorized and directed to appoint in each county or area in which activities are carried on under this chapter, a county committee composed of three individuals residing in the county or area, at least two of whom at the time of appointment shall be farmers deriving the principal part of their income from farming. Committee appointments shall be for a term of three years except that the first appointments for any new committee shall be for one-, two-, and three-year periods, respectively, so as to provide continuity of committee membership. The Secretary may appoint alternate committeemen. The members of the committee and their alternates shall be removable for cause by the Secretary.

COMPENSATION; TRAVEL EXPENSES

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

MEETINGS; QUORUM; PROCEDURE; DUTIES; SUPPLIES; PERSONNEL

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees and their duties, furnish forms and equipment necessary, and authorize and provide for the compensation of such clerical assistance as he finds may be required by any committee.

§ 1983. Special conditions and limitations on loans

In connection with loans made or insured under this chapter, the Secretary shall require—

(a) the applicant to certify in writing, and the Secretary shall determine, that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time;

(b) except for loans under sections 1926, 1932, 1944 and 1961 (b) (2) of this title, the county committee to certify in writing that the applicant meets the eligibility requirements for the loan, and has the character, industry, and ability to carry out the proposed operations, and will, in the opinion of the committee, honestly endeavor to carry out his undertakings and obligations; and for loans under section 1961 (b) (2) of this title, the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan;

(c) an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(d) such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve the objectives of the loan and protect the interests of the United States; and

(e) the applications of veterans for loans under subchapter I or II of this chapter to be given preference over similar applications of nonveterans on file in any county or area office at the same time. Veterans as used herein shall mean persons who served in the Armed Forces of the United States during any war between the United States and any other nation, during the Korean conflict or the Vietnam era and who were discharged or released therefrom under conditions other than dishonorable.

§ 1984. Taxation

All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this chapter other than property used for administrative purposes shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this chapter which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.

§ 1985. Security servicing; operation or lease of realty; disposition of surplus property; conveyance of complete interest of United States; easements; condemnations

(a) The Secretary is authorized and empowered to make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this chapter or under any other programs administered by the Farmers Home Administration; to bid for and purchase at any execution, foreclosure, or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from, or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of, any such indebtedness whether or not such property is subject to other liens, to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property administered under the provisions of this chapter may be operated or leased by the Secretary for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary may determine whether real property administered under this chapter is suitable for disposition to persons eligible for assistance under the provisions of any law administered by the Farmers Home Administration. Any property which the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to such eligible persons in a manner consistent with such provisions. Real property which is not determined suitable for sale to such eligible persons or which has not been purchased by such persons within a period of three years from the date of acquisition, shall be sold by the Secretary after public notice at public sale and, if no acceptable bid is received then by negotiated sale, at the best price obtainable for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment and the remainder of the sales price payable in installments with interest on unpaid balance at the rate determined by the Secretary, but not in any event at rates and terms more favorable than those legally permissible for eligible borrowers. Any conveyances under this section shall include all of the interest of the United States, including mineral rights.

(d) With respect to any real property administered under this chapter, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way over land on which the United States has a lien administered under this chapter, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising

under any such lien may be acquired for highway purposes by any State or political subdivision thereof in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, the State Director of the Farmers Home Administration for the State in which the farm is located, and the Attorney General of the United States: *Provided, however*, That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than ninety days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any proceeding, order, or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

§ 1986. Conflicts of interests

No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this chapter other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to a loan to purchase any land in which he or any person related to him within the second degree of consanguinity or affinity has or may acquire any interest or with respect to any applicant related to him within the second degree of consanguinity or affinity. Any persons violating any provision of this section shall, upon conviction thereof be punished by a fine of not more than \$2,000 or imprisonment for not more than two years, or both.

§ 1987. Debt adjustment and credit counseling

The Secretary may provide voluntary debt adjustment assistance between farmers and their creditors and may cooperate with State, territorial, and local agencies and committees engaged in such debt adjustment, and may give credit counseling.

§ 1988. Appropriations—Authorization

(a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this chapter and for the administration of assets transferred to the Farmers Home Administration.

NOTES; FORM AND DENOMINATIONS; MATURITIES; TERMS AND CONDITIONS; INTEREST RATE; PURCHASE BY TREASURY; PUBLIC DEBT TRANSACTION

(b) When authorized by Congress, the Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually in appropriation Acts for making direct loans under this chapter. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into considera-

tion the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this chapter. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

FARMERS HOME ADMINISTRATION DIRECT LOAN ACCOUNT; DEPOSITS; LIABILITIES; OBLIGATIONS; EXPENDITURES; NET EXPENDITURE BASIS OF BUDGETING

(c) The appropriations for loans made under the authority of subsection (a) of this section and funds obtained in accordance with subsection (b) of this section, and the unexpended balances of any funds made available for loans under the item "Farmers Home Administration" in the Department of Agriculture Appropriation Acts current on August 8, 1961, shall be merged into a single account known as the "Farmers Home Administration direct loan account", hereafter in this section called the "direct loan account". All claims, notes, mortgages, property, including those now held by the Secretary on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the direct loan provisions of (1) titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended; (2) the Farmers Home Administration Act of 1946, as amended, except the assets of the rural rehabilitation corporations; (3) the Act of August 28, 1937 (50 Stat. 869), as amended; (4) the item "Loans to Farmers—1948 Flood Damage" in the Act of June 25, 1948 (62 Stat. 1038); (5) the item "Loans to Farmers (Property Damage)" in the Act of May 24, 1949 (63 Stat. 82); (6) the Act of September 6, 1950 (64 Stat. 769); (7) the Act of July 11, 1956 (70 Stat. 525); (8) section 8 of the Watershed Protection and Flood Prevention Act, as amended; (9) section 32(e) of the Bankhead-Jones Farm Tenant Act, as amended; and (10) under this chapter shall be held for and deposited in said account.

The notes of the Secretary issued to the Secretary of the Treasury under said Acts or under this chapter and all other liabilities against the appropriations or assets in the direct loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the direct loan account shall also be available for interest and principal repayments on notes issued by the Secretary to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Secretary for direct loans under subchapters I and II of this chapter, section 8 of the Watershed Protection and Flood Prevention Act, as amended, and section 32(e) of the Bankhead-Jones Farm Tenant Act, as amended, and for advances in connection therewith, not to exceed any existing appropriation or authorization limitations

and in such further amounts as the Congress from time to time determines in appropriation Acts. The amounts so authorized for loans and advances shall remain available until expended. Subject to the foregoing limitations, the use of collections deposited in the account may be authorized by the Congress in lieu or partially in lieu of authorizing the issuing of additional notes by the Secretary to the Secretary of the Treasury, and the account shall be budgeted on a net expenditure basis.

SALE OF NOTES AND MORTGAGES

(d) The Secretary may sell and assign any notes and mortgages in the direct loan account with the consent of the borrower or without such consent when the borrower has failed to comply with his agreement to refinance the indebtedness at the request of the Secretary. Such loans may be sold at the balance due thereon or on such other basis as the Secretary may determine from time to time.

DISTRIBUTION OF REAL ESTATE LOANS AMONG STATES

(e) At least 25 per centum of the sums authorized in any fiscal year for direct loans to individuals to be made by the Secretary under subchapter I of this chapter shall be allocated equitably among the several States and territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

§ 1989. Rules and regulations; delegation of powers

The Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and make such delegations of authority as he deems necessary to carry out this chapter.

§ 1990. Transfer of lands to Secretary

The President may at any time in his discretion transfer to the Secretary any right, interest, or title held by the United States in any lands acquired in the program of national defense and no longer needed therefor, which the President shall find suitable for the purposes of this chapter, and the Secretary shall dispose of such lands in the manner and subject to the terms and conditions of the chapter.

§ 1991. Definitions

As used in this chapter (1) the term "farmers" shall be deemed to include persons who are engaged in, or who, with assistance afforded under this chapter, intend to engage in, fish farming, (2) the term "farming" shall be deemed to include fish farming, and (3) the term "owner-operator" shall in the State of Hawaii include the lessee-operator of real property in any case in which the Secretary determines that the land cannot be acquired in fee simple by the applicant, adequate security is provided for the loan, and there is a reasonable probability of accomplishing the objectives and repayment of the loan: *Provided*, That item (3) shall be applicable to lessee-operators of Hawaiian Homes Commission lands only when and to the extent that it is possible for such lessee-operators to meet the

conditions therein set out, and (4) the word "insure" as used in this chapter includes guarantee, which means to guarantee the payment of a loan originated, held, and serviced by a private financial agency or other lender approved by the Secretary, and (5) the term "contract of insurance" includes a contract of guarantee.

§ 1992. Loan limitations

No loan (other than one to a public body or nonprofit association (including Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups) for community facilities or one of a type authorized by section 1926(a)(1) of this title prior to its amendment by the Rural Development Act of 1972) shall be made by the Secretary either for sale as an insured loan or otherwise under section 1924(b), 1926(a)(1), 1932, 1942(b), or 1942(c) of this title unless the Secretary shall have determined that no other lender is willing to make such loan and assume 10 per centum of any loss sustained thereon. No contract guaranteeing any such loan by such other lender shall require the Secretary to participate in more than 90 per centum of any loss sustained thereon.

RURAL DEVELOPMENT

EXCERPTS FROM RURAL DEVELOPMENT ACT OF 1972

[Public Law 92-419, 86 Stat. 657]

TITLE V—RURAL DEVELOPMENT AND SMALL FARM RESEARCH AND EDUCATION

SEC. 501. PURPOSES.—The purpose of this title is to encourage and foster a balanced national development that provides opportunities for increased numbers of Americans to work and enjoy a high quality of life dispersed throughout our Nation by providing the essential knowledge necessary for successful programs of rural development. It is further the purpose of this title—

(a) to provide multistate regional agencies, States, counties, cities, multicounty planning and development of districts, businesses, industries, organizations, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, and others involved with public services and investments in rural areas or that provide or may provide employment in these areas the best available scientific, technical, economic, organizational, environmental, and management information and knowledge useful to them, and to assist and encourage them in the interpretation and application of this information to practical problems and needs in rural development;

(b) to provide research and investigations in all fields that have as their purpose the development of useful knowledge and information to assist those planning, carrying out, managing, or investing in facilities, services, businesses, or other enterprises, public and private, that may contribute to rural development;

(c) to enhance the capabilities of colleges and universities to perform the vital public service roles of research, transfer, and practical application of knowledge in support of rural development;

(d) to expand research on innovative approaches to small farm management and technology and extend training and technical assistance to small farmers so that they may fully utilize the best available knowledge on sound economic approaches to small farm operations.

SEC. 502. PROGRAMS AUTHORIZED.—The Secretary of Agriculture (hereafter referred to as the “Secretary”) is directed and authorized to conduct in cooperation and in coordination with colleges and universities the following programs to carry out the purposes of this title.

(a) RURAL DEVELOPMENT EXTENSION PROGRAMS.—Rural development extension programs shall consist of the collection, interpretation, and dissemination of useful information and knowledge from research and other sources to units of multistate regional agencies, State, county, municipal, and other units of government, multicounty planning and

development districts, organizations of citizens contributing to rural development, business, Indian tribes on Federal or State reservations or other federally recognized Indian tribal groups, or industries that employ or may employ people in rural areas. These programs also shall include technical services and educational activity, including instruction for persons not enrolled as students in colleges or universities, to facilitate and encourage the use and practical application of this information. These programs also may include feasibility studies and planning assistance.

(b) **RURAL DEVELOPMENT RESEARCH.**—Rural development research shall consist of research, investigations, and basic feasibility studies in any field or discipline which may develop principles, facts, scientific and technical knowledge, new technology, and other information that may be useful to agencies of Federal, State, and local government, industries in rural areas, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, and other organizations involved in rural development programs and activities in planning and carrying out such programs and activities or otherwise be practical and useful in achieving increased rural development.

(c) **SMALL FARM EXTENSION, RESEARCH, AND DEVELOPMENT PROGRAMS.**—Small farm extension and research and development programs shall consist of extension and research programs with respect to new approaches for small farms in management, agricultural production techniques, farm machinery technology, new products, cooperative agricultural marketing, and distribution suitable to the economic development of family size farm operations.

SEC. 503. APPROPRIATION AND ALLOCATION OF FUNDS.—(a) There are ¹ hereby authorized to be appropriated to carry out the purposes of this title,² except subsections (c) and (d) of section 502, not to exceed \$10,000,000 for the fiscal year ending June 30, 1974, not to exceed \$15,000,000 for the fiscal year ending June 30, 1975, not to exceed \$20,000,000 for the fiscal year ending June 30, 1976, not to exceed \$5,000,000 for the period July 1, 1976, through September 30, 1976, and not to exceed \$20,000,000 for each of the three fiscal years during the period beginning October 1, 1976, and ending September 30, 1979.

(b) Such sums as the Congress shall appropriate to carry out the purposes of this title pursuant to subsection (a) shall be distributed by the Secretary as follows:

(1) 4 per centum to be used by the Secretary for Federal administration, national coordination, and program assistance to the States;

(2) 10 per centum to be allocated by the Secretary to States to finance work serving two or more States in which universities in two or more States cooperate or which is conducted by one university to serve two or more States;

(3) 20 per centum shall be allocated equally among the States;

¹ Sec. 1(1) of Public Law 94-259, 90 Stat. 314, approved April 5, 1976 amended sec. 503 as follows: by striking the word "is" and inserting "are"; by deleting the word "and"; and by changing the period at the end thereof to a comma and adding the following: "not to exceed \$5,000,000 for the period July 1, 1976, through September 30, 1976, and not to exceed \$20,000,000 for each of the three fiscal years during the period beginning October 1, 1976, and ending September 30, 1979."

² Sec. 1441 of the Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended this subsection by inserting a comma and the phrase "except subsections (c) and (d) of section 502".

(4) 66 per centum shall be allocated to each State, as follows: One-half in an amount which bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States as determined by the last preceding decennial census current at the time each such additional sum is first appropriated; and one-half in an amount which bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States as determined by the last preceding decennial census current at the time such additional sum is first appropriated.

(c)¹ There are hereby authorized to be appropriated to carry out the purposes of subsections (c) and (d) of section 502 of this title not to exceed \$20,000,000 for each of the fiscal years ending September 30, 1978, and September 30, 1979.

(d)¹ Such sums as Congress shall appropriate to carry out the purposes of this title pursuant to subsection (c) of this section shall be distributed by the Secretary as follows:

“(1) 4 per centum to be used by the Secretary for Federal administration;

“(2) 19 per centum to be allocated among the several States to carry out the programs authorized in subsection (c) of section 502 of this title in such amounts as determined by the Secretary; and

“(3) 77 per centum to be allocated among the several States to carry out the programs authorized in subsection (d) of section 502 of this title in such amounts as determined by the Secretary.”; and

(e)¹ Funds appropriated under this title may be used to pay salaries and other expenses of personnel employed to carry out the functions authorized by this title, to obtain necessary supplies, equipment, services, and rent, repair, and maintenance of other facilities needed, but may not be used to purchase or construct buildings.

(f)¹ Payment of funds to any State for programs authorized under section 502 (a), (b), (c), and (d) shall be contingent upon the Secretary's approval of an annual plan and budget for programs conducted under each part and compliance with such regulations as the Secretary may issue under this title. Funds shall be available for use by the State in the fiscal year for which appropriated and the next fiscal year following the year for which appropriated. Funds shall be budgeted and accounted for on such forms and at such times as the Secretary shall prescribe.

(g)¹ Funds provided to each State under this title may be used to finance programs through or at private and publicly supported colleges and universities other than the university responsible for administering the programs authorized by this title.

SEC. 504. COOPERATING COLLEGES AND UNIVERSITIES.—(a) Each of the programs authorized by this title shall be organized and conducted by one or more colleges or universities in each State so as to provide a coordinated program in each State.

¹ Sec. 1441 of the Food and Agriculture Act of 1977, Public Law 95-113, approved September 29, 1977, amended section 503 by redesignating subsections (c), (d), and (e) as (e), (f), and (g), respectively and inserting new subsections (c) and (d).

(b) To assure national coordination with programs under the Smith-Lever Act of 1914 and the Hatch Act (as amended, August 11, 1955), administration of each State program shall be a responsibility of the institution or university accepting the benefits of the Morrill Act of 1862 (12 Stat. 503) as amended. Such administration shall be in association with the programs conducted under the Smith-Lever Act and the Hatch Act. The Secretary shall pay funds available to each State to said institution or university.

(c) All private and publicly supported colleges and universities in a State including the land-grant colleges of 1890 (26 Stat. 417) shall be eligible to conduct or participate in conducting programs authorized under this title. Officials at universities or colleges other than those responsible for administering programs authorized by this title who wish to participate in these programs shall submit program proposals to the university officials responsible for administering these programs and they shall be responsible for approval of said proposals.

(d) The university in each State responsible for administering the program authorized by this title shall designate an official who shall be responsible for programs authorized by each part of section 502 and an official who shall be responsible for the overall coordination of said programs.

(e) The chief administrative officer of the university in each State responsible for administering the program authorized by this title shall appoint a State Rural Development Advisory Council, consisting of not more than fifteen members. The administrative head of agriculture of that university shall serve as chairman. The administrative head of a principal school of engineering in the State shall be a member. There shall be at least ten additional members who shall include persons representing farmers, business, labor, banking, local government, multicounty planning and development districts, public and private colleges and Federal and State agencies involved in rural development.

It shall be the function of the Council to review and approve annual program plans conducted under this title and to advise the chief administrative officer of the university on matters pertaining to the program authorized.

SEC. 505. AGREEMENTS AND PLANS.—(a) Programs authorized under this title shall be conducted as mutually agreed upon by the Secretary and the university responsible for administering said programs in a memorandum of understanding which shall provide for the coordination of the programs authorized under this title, coordination of these programs with other rural development programs of Federal, State, and local government, and such other matters as the Secretary shall determine.

(b) Annually said university shall submit to the Secretary an annual program plan for programs authorized under this title which shall include plans for the programs to be conducted by each cooperating and participating university or college and such other information as the Secretary shall prescribe. Each State program must include research and extension activities directed toward identification of programs which are likely to have the greatest impact upon accomplishing the objectives of rural development in both the short and longer term and the use of these studies to support the State's comprehensive program to be supported under this title.

SEC. 506. WITHHOLDING FUNDS.—When the Secretary determines that a State is not eligible to receive part or all of the funds to which it is otherwise entitled because of a failure to satisfy conditions specified in this title, or because of a failure to comply with regulations issued by the Secretary under this title, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding a session of the legislature of the State from which funds have been withheld in order that the State may, if it should so desire, appeal to Congress from the determination of the Secretary. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury. If any portion of the moneys received by the designated officers of any State for the support and maintenance of programs authorized by this title shall by any action or contingency be diminished or lost, or be misapplied, it shall be replaced by said State.

SEC. 507. DEFINITIONS.—For the purposes of this title—

(a) "Rural development" means the planning, financing, and development of facilities and services in rural areas that contribute to making these areas desirable places in which to live and make private and business investments; the planning, development, and expansion of business and industry in rural areas to provide increased employment and income; the planning, development, conservation, and use of land, water, and other natural resources of rural areas to maintain or enhance the quality of the environment for people and business in rural areas; and processes and procedures that have said objectives as their major purposes.

(b) The word "State" means the several States and the Commonwealth of Puerto Rico.

(c)¹ "Small farmer" means any farmer with gross sales from farming of \$20,000 or less per year.

SEC. 508. REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this title.

* * * * *

SEC. 603. COORDINATION OF RURAL DEVELOPMENT ACTIVITIES.

EXCERPTS FROM TITLE 7, UNITED STATES CODE

§ 2201.² Establishment of Department

There shall be at the seat of government a Department of Agriculture, the general design and duties of which shall be to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture and rural development, in the most general and comprehensive sense of those terms, and to procure, propagate, and distribute among the people new and valuable seeds and plants.

* * * * *

¹ Sec. 1442 of Food and Agriculture Act of 1977, Public Law 95-113, approved September 30, 1977, added new subsection (c).

² Sec. 603(a)(1) of Rural Development Act of 1972, Public Law 92-419, approved August 30, 1972, 86 Stat. 657, amended this section by adding "and rural development," after the words "with agriculture". Sec. 603(a)(2) of this Act also deleted "that word" and inserted in lieu thereof "those terms".

§ 2204. General duties of Secretary; advisory functions; National rural development program, report to Congress

(a)¹ The Secretary of Agriculture shall procure and preserve all information concerning agriculture and rural development which he can obtain by means of books and correspondence, and by practical and scientific experiments, accurate records of which experiments shall be kept in his office, by the collection of statistics, and by any other appropriate means within his power; he shall collect new and valuable seeds and plants; shall test, by cultivation, the value of such of them as may require such tests; shall propagate such as may be worthy of propagation; and shall distribute them among agriculturists; and he shall advise the President, other members of his Cabinet, and the Congress on policies and programs designed to improve the quality of life for people living in the rural and nonmetropolitan regions of the Nation.

(b)² The Secretary of Agriculture is authorized and directed to provide leadership and coordination within the executive branch and shall assume responsibility for coordinating a nationwide rural development program utilizing the services of executive branch departments and agencies and the agencies, bureaus, offices and services of the Department of Agriculture in coordination with rural development programs of State and local governments. In carrying out this responsibility the Secretary of Agriculture shall establish employment, income, population, housing, and quality of community services and facilities goals for rural development and report annually prior to December³ to Congress on progress in attaining such goals. The Secretary is authorized to initiate or expand research and development efforts related to solution of problems of rural water supply, rural sewage and solid waste management, rural housing, and rural industrialization.

* * * * *

(c) (1) The Secretary of Agriculture shall utilize to the maximum extent practicable State, regional, district, county, local, or other Department of Agriculture offices to enhance rural development, and shall to the maximum extent practicable provide directly, or, in the case of agencies outside of the Department of Agriculture, through arrangements with the heads of such agencies, for—

(A) the location of all field units of the Federal Government concerned with rural development in the appropriate Department of Agriculture offices covering the geographical areas most similar to those covered by such field units, and

(B) the interchange of personnel and facilities in each such office to the extent necessary or desirable to achieve the most efficient utilization of such personnel and facilities and provide

¹ Sec. 603(b)(1) of Rural Development Act of 1972, Public Law 92-419, approved August 30, 1972, 86 Stat. 657, amended this section by inserting "(a)" before the first sentence. Sec. 603(b)(2) of this Act also amended this section by inserting the words "and rural development" after the words "concerning agriculture". Sec. 603(b)(3) of this Act further amended this section by adding the following at the end thereof: "and he shall advise the President, other members of his Cabinet, and the Congress on policies and programs designed to improve the quality of life for people living in the rural and nonmetropolitan regions of the Nation".

² Sec. 603(b)(4) of Rural Development Act of 1972, Public Law 92-419, approved August 30, 1972, 86 Stat. 657, added a new subsection (b).

³ Sec. 7(4) of the Fiscal Year Adjustment Act, Public Law 92-273, 90 Stat. 375, approved April 21, 1976, substituted "December" for "September".

the most effective assistance in the development of rural areas in accordance with State rural development plans.

(2) The Secretary shall include in the report required by this section a report on progress made in carrying out paragraph (1) of this subsection together with such recommendations as may be appropriate.

Approved August 30, 1972.

EXCERPT FROM AGRICULTURAL ACT OF 1970

[Public Law 91-524, 84 Stat. 1358, 1383]

* * * * *

TITLE IX—RURAL DEVELOPMENT

SEC. 901. * * *

PLANNING ASSISTANCE

(c) The Secretary of the Department of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a joint progress report as to their efforts during the immediately preceding fiscal year to provide assistance to States planning for the development of rural multicounty areas not included in economically depressed areas under authority of the Housing and Urban Development Act of 1968. The first such annual report shall be submitted not later than December 1, 1970, and shall cover the period beginning August 1, 1968, the date of enactment of the Housing and Urban Development Act of 1968 and ending June 30, 1970.

* * * * *

Approved November 30, 1970.



ECONOMIC DEVELOPMENT

EXCERPTS FROM THE HEADSTART, ECONOMIC OPPORTUNITY, AND COMMUNITY PARTNERSHIP ACT OF 1974

[Public Law 93-644, 88 Stat. 2291, 42 U.S.C. 2701]

AN ACT To provide for the extension of Headstart, community action, community economic development, and other programs under the Economic Opportunity Act of 1964, to provide for increased involvement of State and local governments in antipoverty efforts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Headstart, Economic Opportunity, and Community Partnership Act of 1974".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to extend programs under the Economic Opportunity Act of 1964, including Headstart, community action, and community economic development programs; and to provide for increased involvement of State and local governments in anti-poverty efforts by authorizing a community partnership program.

COMMUNITY ECONOMIC DEVELOPMENT

SEC. 10. (a) Title VII of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE VII—COMMUNITY ECONOMIC DEVELOPMENT

"STATEMENT OF PURPOSE

"SEC. 701. The purpose of this title is to encourage the development of special programs by which the residents of urban and rural low-income areas may, through self-help and mobilization of the community at large, with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elimination of poverty and the establishment of permanent economic and social benefits.

"DEFINITION

"SEC. 702. As used in this title the term 'community development corporation' means a nonprofit organization responsible to residents of the area it serves which is receiving financial assistance under part A of this title and any organization more than 50 per centum of which is owned by such an organization, or otherwise controlled by such an organization, or designated by such an organization for the purpose of this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 703. For the purpose of carrying out this title, there are authorized to be appropriated \$39,000,000 and such additional sums as may be necessary for fiscal year 1975 and such sums as may be necessary for each of the two succeeding fiscal years.

"PART A—URBAN AND RURAL SPECIAL IMPACT PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 711. The purpose of this part is to establish special programs of assistance to nonprofit private locally initiated community development corporations which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) within those urban and rural areas having concentrations or substantial numbers of low-income persons; (2) are of sufficient size, scope, and duration to have an appreciable impact in such communities, neighborhoods, and rural areas in arresting tendencies toward dependency, chronic unemployment, and community deterioration; (3) hold forth the prospect of continuing to have such impact after the termination of financial assistance under this part, and (4) provide financial and other assistance to start, expand, or locate enterprises in or near the area to be served so as to provide employment and ownership opportunities for residents of such areas, including those who are disadvantaged in the labor market because of their limited speaking, reading, and writing abilities in the English language.

"ESTABLISHMENT AND SCOPE OF PROGRAMS

"SEC. 712. (a) The Director is authorized to provide financial assistance in the form of grants to nonprofit and for profit community development corporations and other affiliated and supportive agencies and organizations associated with qualifying community development corporations for the payment of all or part of the cost of programs which are designed to carry out the purposes of this part. Financial assistance shall be provided so that each community economic development program is of sufficient size, scope, and duration to have an appreciable impact on the area served. Such programs may include—

"(1) community economic and business development programs, including but not limited to: (A) programs which provide financial and other assistance (including equity capital) to start, expand, or locate businesses in or near the area served so as to provide employment and ownership opportunities for residents of such areas, and (B) programs for small businesses located in or owned by residents of such areas;

"(2) community development including industrial parks and housing activities which contribute to an improved environment and which create new training, employment, and ownership opportunities for residents of such area;

"(3) training and public service employment programs and related services for unemployed or low-income persons which

support and complement community development programs financed under this part, including, without limitation, activities such as those described in the Comprehensive Employment and Training Act of 1973; and

“(4) social service programs which support and complement community economic development programs financed under this part, including but not limited to child care, educational services, health services, credit counseling, energy conservation, and programs for the maintenance of housing facilities.

“(b) The Director shall conduct programs assisted under this part so as to contribute, on an equitable basis between urban and rural areas, to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.

“FINANCIAL ASSISTANCE REQUIREMENTS

“SEC. 713. (a) The Director, under such regulations as he may establish, shall not provide financial assistance for any community economic development program under this part unless he determines that—

“(1) such community development corporation is responsible to residents of the area served (i) through a governing body not less than 50 per centum of the members of which are area residents and (ii) in accordance with such other guidelines as may be established by the Director, except that the composition of the governing bodies of organizations owned or controlled by the community development corporation need not be subject to such residency requirement;

“(2) the program will be appropriately coordinated with local planning under this title, with housing and community development programs, with employment and training programs, and with other relevant planning for physical and human resources in the areas served;

“(3) adequate technical assistance is made available and committed to the programs being supported;

“(4) such financial assistance will materially further the purposes of this part;

“(5) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met;

“(6) all projects and related facilities will, to the maximum feasible extent, be located in the areas served;

“(7) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses and housing, cooperatively or otherwise, by residents of the area served;

“(8) projects will be planned and carried out with the fullest possible participation of resident or local businessmen and representatives of financial institutions, including participation through contract, joint venture, partnership, stock ownership or membership on the governing boards or advisory councils of such projects consistent with the self-help purposes of this title;

“(9) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of

so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(10) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal or other funds in connection with work that would otherwise be performed;

"(11) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

"(12) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

"(13) preference will be given to low-income or economically disadvantaged residents of the areas served in filling jobs and training opportunities; and

"(14) training programs carried out in connection with projects financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities, neighborhoods, or rural areas other than those for which programs are established under this part.

"(b) Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in an increase in unemployment in the area of original location.

"(c) The level of financial assistance for related purposes under this Act, or any other program for Federal financial assistance, to the area served by a special impact program shall not be diminished in order to substitute funds authorized by this part.

"FEDERAL SHARE OF PROGRAM COSTS

"SEC. 714. Federal assistance to any program carried out pursuant to this part, including grants used by community development corporations for capital improvements, shall (1) not exceed 90 per centum of the cost of such program including costs of administration unless the Director determines that the assistance in excess of such percentage is required in furtherance of the purposes of this part, and (2) be made available for deposit to the order of the grantee, under conditions which the Director deems appropriate, within thirty days following approval of the grant agreement by the Director and such grantee of the grant agreement. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. Capital investments made with funds granted as a result of the Federal share of the costs of programs carried out under this title, and the proceeds from such capital investments, shall not be considered Federal property. Upon investment, title rights vest in the community development corporation. The Federal Government retains the right to direct that on severance of the grant relationship the assets purchased continue to be used for the original purpose for which they were granted.

"PART B—SPECIAL RURAL PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 721. It is the purpose of this part to meet the special economic needs of rural communities or areas with concentrations or substantial numbers of low-income persons by providing support to self-help programs which promote economic development and independence, as a supplement to existing similar programs conducted by other departments and agencies of the Federal Government. Such programs should encourage low-income families to pool their talents and resources so as to create and expand rural economic enterprise.

"FINANCIAL ASSISTANCE

"SEC. 722. (a) The Director is authorized to provide financial assistance, including loans having a maximum maturity of 15 years and in amounts not resulting in an aggregate principal indebtedness of more than \$3,500 at any one time, to any low-income rural family where, in the judgment of the Director, such financial assistance has a reasonable possibility of effecting a permanent increase in the income of such families, or will contribute to the improvement of their living or housing conditions, by assisting or permitting them to—

"(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon;

"(2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment; or

"(3) participate in cooperative associations, or to finance non-agricultural enterprises which will enable such families to supplement their income.

"(b) The Director is authorized to provide financial assistance to local cooperative associations in rural areas containing concentrations or substantial numbers of low-income persons for the purpose of defraying all or part of the costs of establishing and operating cooperative programs for farming, purchasing, marketing, processing, and to improve their income as producers and their purchasing power as consumers, and to provide such essentials as credit and health services. Costs which may be defrayed shall include but not be limited to—

"(1) administrative costs of staff and overhead;

"(2) costs of planning and developing new enterprises;

"(3) costs of acquiring technical assistance; and

"(4) initial capital where it is determined by the Director that the poverty of the families participating in the program and the social conditions of the rural area require such assistance.

"LIMITATION ON ASSISTANCE

"SEC. 723. (a) No financial assistance shall be provided under this part unless the Director determines that—

"(1) any cooperative association receiving assistance has a minimum of fifteen active members, a majority of which are low-income rural persons;

"(2) adequate technical assistance is made available and committed to the programs being supported;

"(3) such financial assistance will materially further the purposes of this part; and

"(4) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met.

"(b) The level of financial assistance for related purposes under this Act to the area served by a program under this part shall not be diminished in order to substitute funds authorized by this part.

"PART C—DEVELOPMENT LOANS TO COMMUNITY ECONOMIC DEVELOPMENT PROGRAMS

"DEVELOPMENT LOAN FUND

"SEC. 731. (a) The Director is authorized to make or guarantee loans (either directly or in cooperation with banks or other organizations through agreements to participate on an immediate or deferred basis) to community development corporations, and families and local cooperatives, eligible for financial assistance under this title, for business, housing, and community development projects which the Director determines will carry out the purposes of this part. No loans, guarantees, or other financial assistance shall be provided under this section unless the Director determines that—

"(1) there is reasonable assurance of repayment of the loan;

"(2) the loan is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs; and

"(3) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made.

Loans made by the Director pursuant to this section shall bear the interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes, except that, for the five years following the date in which funds are initially available to the borrower, the rate of interest shall be set at a rate considered appropriate by the Director in light of the particular needs of the borrower which rate shall not be lower than 1 per centum. All such loans shall be repayable within a period of not more than thirty years.

"(b) The Director is authorized to adjust interest rates, grant moratoriums on repayment of principal and interest, collect or compromise any obligations held by him, and to take such other actions in respect to such loans as he shall determine to be necessary or appropriate, consistent with the purposes of this section.

"(c) (1) To carry out the lending and guaranty functions authorized under this part, there shall be established a Development Loan Fund consisting of two separate accounts, one of which shall be a revolving fund called the Rural Development Loan Fund and the other of which shall be a revolving fund called the Community Development Loan Fund. The capital of each such revolving fund shall remain available until expended.

"(2) The Rural Development Loan Fund shall consist of the remaining funds provided for in part A of title III of this Act and such amounts as may be deposited in such Fund by the Director out of funds made available from appropriations for the purposes of carrying out this part. The Director shall utilize the services of the Farmers Home Administration in administering the Fund.

"(3) The Community Development Loan Fund shall consist of such amounts as may be deposited in such fund by the Secretary out of funds made available from appropriations for the purpose of carrying out this subchapter. The Secretary may make deposits in the Community Development Loan Fund in any fiscal year in which he has made available for grants to community development corporations under part B of this title not less than \$60,000,000 out of funds made available from appropriations for the purpose of carrying out this title.

"ESTABLISHMENT OF MODEL COMMUNITY ECONOMIC DEVELOPMENT
FINANCE CORPORATION

"SEC. 732. (a) To the extent he deems appropriate, the Director shall utilize funds available under this part to prepare a plan of action for the establishment of a Model Community Economic Development Finance Corporation to provide a user-controlled independent and professionally operated long-term financing vehicle with the principal purpose of providing financial support for community economic development corporations, cooperatives, other affiliated and supportive agencies and organizations associated with community economic development corporations, and other entities eligible for assistance under this title.

"(d) Not later than June 1, 1975, the Director shall submit to the appropriate committees of the Congress the plan required by this section.

"PART D—SUPPORTIVE PROGRAMS AND ACTIVITIES

"TRAINING AND TECHNICAL ASSISTANCE

"SEC. 741. (a) The Director shall provide, directly or through grants, contracts or other arrangements, such technical assistance and training of personnel as may be required to effectively implement the purposes of this title. No financial assistance shall be provided to any public or private organization under this section unless the Director provides the beneficiaries of these services with opportunity to participate in the selection of and to review the quality and utility of the services furnished them by such organization.

"(b) Technical assistance to community development corporations and both urban and rural cooperatives may include planning, management, legal preparation of feasibility studies, product development, marketing, and the provision of stipends to encourage skilled professionals to engage in full-time activities under the direction of a community organization financially assisted under this title.

"(c) Training for employees of community development corporations and for employees and members of urban and rural cooperatives shall include, but not be limited to, on-the-job training, classroom instruction, and scholarships to assist them in development, manage-

rial, entrepreneurial, planning, and other technical and organizational skills which will contribute to the effectiveness of programs assisted under this subchapter.

"APPLICATIONS OF OTHER FEDERAL RESOURCES—SMALL BUSINESS ADMINISTRATION PROGRAMS

"SEC. 742. (a) (1) Funds granted under this part which are invested directly or indirectly, in a small business investment company or a local development company, limited small business investment company shall be included as "private paid-in capital and paid-in surplus," "combined paid-in capital and paid-in surplus," and "paid-in capital" for purposes of sections 302, 303, and 502, respectively, of the Small Business Investment Act of 1958.

"(2) Within ninety days of the enactment of this title, the Administrator of the Small Business Administration, after consultation with the Secretary, shall prescribe such regulations as may be necessary and appropriate to insure the availability to community development corporations of such programs as shall further the purposes of this part.

"(b) (1) Areas selected for assistance under this title shall be deemed 'redevelopment areas' within the meaning of section 401 of the Public Works and Economic Development Act of 1965, shall qualify for assistance under the provisions of title I and title II of that Act, and shall be deemed to have met the overall economic development program requirements of section 202(b) (10) of such Act.

"(2) Within ninety days of the enactment of this title, the Secretary shall prescribe regulations which will insure that community development corporations and cooperatives shall qualify for assistance and shall be eligible to receive such assistance under all such programs of the Economic Development Administration as shall further the purposes of this title.

"DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS

"SEC. 743. The Secretary of Housing and Urban Development, after consultation with the Director, shall take all necessary steps to assist community development corporations and local cooperative associations to qualify for and receive (1) such assistance in connection with technical assistance, counseling to tenants and homeowners, and loans to sponsors of low- and moderate-income housing under section 106 of the Housing and Urban Development Act of 1968 as amended by section 811 of the Housing and Community Development Act of 1974, (2) such land for housing and business location and expansion under title I of the Housing and Community Development Act of 1974, and (3) such funds for comprehensive planning under section 701 of the Housing Act of 1954 as amended by section 401 of the Housing and Community Development Act of 1974, as shall further the purposes of this Act.

"DEPARTMENT OF AGRICULTURE AND FARMERS HOME ADMINISTRATION PROGRAMS

"SEC. 744. (a) The Secretary of Agriculture or, where appropriate, the Administrator of the Farmers Home Administration, after consultation with the Director, shall take all necessary steps to insure that

community development corporations and local cooperative associations shall qualify for and shall receive (1) such assistance in connection with housing development under the Housing Act of 1949, (2) such assistance in connection with housing, business, industrial, and community development under the Consolidated Farmers Home Administration Act of 1961 and the Rural Development Act of 1972, and (3) such further assistance under all such programs of the United States Department of Agriculture, as shall further the purposes of this title.

“(b) On or before six months after the enactment of this title, and annually thereafter, the Secretary shall submit to the Congress a detailed report setting forth a description of all Federal agency programs which he finds relevant to achieving the purposes of this part and the extent to which such programs have been made available to community development corporations receiving financial assistance under this part including specifically the availability and effectiveness of programs referred to in subsection (a) of this section. Where appropriate, the report required under this subsection also shall contain recommendations for the more effective utilization of Federal agency programs for carrying out the purposes of this title.

“COORDINATION AND ELIGIBILITY

“SEC. 745. (a) The Director shall take all necessary and appropriate steps to encourage Federal departments and agencies and State and local governments to make grants, provide technical assistance, enter into contracts, and generally support and cooperate with community development corporations and local cooperative associations.

“(b) Eligibility for assistance under other Federal programs shall not be denied to any applicant on the ground that it is a community development corporation or any other entity assisted under this title.

“EVALUATION AND RESEARCH

“SEC. 746. (a) Each program for which grants are made under this title shall provide for a thorough evaluation of the effectiveness of the program in achieving its purposes, which evaluation shall be conducted by such public or private organizations as the Director, in consultation with existing grantees familiar with programs carried out under this Act, may designate, and all or part of the costs of evaluation may be paid from funds appropriated to carry out this part. In evaluating the performance of any community development corporation funded under part A of this title, the criteria for evaluation shall be based upon such program objectives, goals, and priorities as are consistent with the purposes of this title and were set forth by such community development corporation in its proposal for funding as approved and agreed upon by the Director or as subsequently modified from time to time by mutual agreement between the Director and such community development corporation.

“(b) The Director shall conduct, either directly or through grants or other arrangements, research designed to suggest new programs and policies to achieve the purposes of this title in such ways as to provide opportunities for employment, ownership, and a better quality of life for low-income residents.

"PLANNING GRANTS

"SEC. 747. In order to facilitate the purposes of this title, the Director is authorized to provide financial assistance to any public or private nonprofit agency or organization for planning of community economic development programs and cooperative programs under this title.

"NONDISCRIMINATION PROVISIONS

"SEC. 748. (a) The Director shall not provide financial assistance for any program, project, or activity under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this title."

* * * * *

Approved January 4, 1975.

REGIONAL ACTION PLANNING COMMISSIONS

EXCERPTS FROM PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, AS AMENDED

[Public Law 89-136, 79 Stat. 552, 42 U.S.C. 3121]

TITLE V—REGIONAL ACTION PLANNING COMMISSIONS

ESTABLISHMENT OF REGIONS

SEC. 501. (a) The Secretary is authorized to designate appropriate "economic development regions" within the United States with the concurrence of the States in which such regions will be wholly or partially located if he finds (A) that there is a relationship between the areas within such region geographically, culturally, historically, and economically, (B) that with the exception of Alaska and Hawaii, the region is within contiguous States, and (C) upon consideration of the following matters, among others, that the region has lagged behind the whole Nation in economic development:

(1) the rate of unemployment is substantially above the national rate;

(2) the median level of family income is significantly below the national median;

(3) the level of housing, health, and educational facilities is substantially below the national level;

(4) the economy of the area has traditionally been dominated by only one or two industries, which are in a state of long-term decline;

(5) the rate of out-migration of labor or capital or both is substantial;

(6) the area is adversely affected by changing industrial technology;

(7) the area is adversely affected by changes in national defense facilities or production; and

(8) indices of regional production indicate a growth rate substantially below the national average.

(b)¹ Upon resolution of the Committee on Public Works of the Senate or the House of Representatives, the Secretary is directed to study the advisability of altering the geographical area of any region designated under this section, in order to further the purpose of this Act.

REGIONAL COMMISSIONS

SEC. 502. (a) Upon designation of development regions, the Secretary shall invite and encourage the States wholly or partially located

¹ Subsection (b) added by sec. 201, Regional Action Planning Commission Amendments of 1969, Public Law 91-123, approved November 25, 1969, 83 Stat. 216.

within such regions to establish appropriate multistate regional commissions.

(b) Each such commission shall be composed of one Federal member, hereinafter referred to as the "Federal cochairman", appointed by the President by and with the advice and consent of the Senate, and one member from each participating State in the region. Each State member may be the Governor, or his designee, or such other person as may be provided by the law of the State which he represents. The State members of the commission shall elect a cochairman of the commission from among their number.

(c) Decisions by a regional commission shall require the affirmative vote of the Federal cochairman and of a majority, or at least one if only two, of the State members. In matters coming before a regional commission, the Federal cochairman shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

(d) Each State member of a regional commission shall have an alternate, appointed by the Governor or as otherwise may be provided by the law of the State which he represents. The President, by and with the advice and consent of the Senate, shall appoint an alternate for the Federal cochairman of each regional commission. An alternate shall vote in the event of the absence, death, disability, removal, or resignation of the State or ¹ Federal cochairman for which he is an alternate.

(e) The Federal cochairman to a regional commission shall be compensated by the Federal Government from funds authorized by this Act up to level IV of the Federal Executive Salary Schedule. His alternate shall be compensated by the Federal Government from funds authorized by this Act at not to exceed the maximum scheduled rate for grade GS-18 of the Classification Act of 1949, as amended, and when not actively serving as an alternate for the Federal cochairman shall perform such functions and duties as are delegated to him by the Federal cochairman. Each State member and his alternate shall be compensated by the State which they represent at the rate established by the law of such State.

(f) If the Secretary finds that the State of Alaska or the State of Hawaii meets the requirements for an economic development region, he may establish a Commission for either State in a manner agreeable to him and to the Governor of the affected State.

FUNCTIONS OF COMMISSION

SEC. 503. (a) In carrying out the purposes of this Act, each Commission shall with respect to its region—

(1) advise and assist the Secretary in the identification of optimum boundaries for multistate economic development regions;

(2) initiate and coordinate the preparation of long-range overall economic development programs for such regions, including ² the development of a comprehensive long-range economic plan approved by the Secretary;

¹ The word "of" appears in the statute but should be "or".

² Sec. 201, Amendments to the Public Works and Economic Development Act of 1965, Public Law 90-103, approved October 11, 1967, 81 Stat. 257, 266, inserted the remainder of this clause.

(3) foster surveys and studies to provide data required for the preparation of specific plans and programs for the development of such regions;

(4) advise and assist the Secretary and the States concerned in the initiation and coordination of economic development districts, in order to promote maximum benefits from the expenditure of Federal, State, and local funds;

(5) promote increased private investment in such regions;

(6) prepare legislative and other recommendations with respect to both short-range and long-range programs and projects for Federal, State, and local agencies;

(7) develop, on a continuing basis, comprehensive and coordinated plans and programs and establish priorities thereunder, giving due consideration to other Federal, State, district,¹ and local planning in the region;

(8) conduct and sponsor investigations, research, and studies, including an inventory and analysis of the resources of the region, and, in cooperation with Federal, State and local agencies, sponsor demonstration projects designed to foster regional productivity and growth;

(9) review and study in cooperation with the agency involved, Federal, State, and local public and private programs and, where appropriate, recommend modifications or additions which will increase their effectiveness in the region;

(10) formulate and recommend, where appropriate, interstate compacts and other forms of interstate cooperation, and work with State and local agencies in developing appropriate model legislation; and

(11) provide a forum for consideration of problems of the region and proposed solutions and establish and utilize, as appropriate, citizens and special advisory councils and public conferences.

(b) The Secretary shall present such plans and proposals of the commissions as may be transmitted and recommended to him (but are not authorized by any other section of this Act) first for review by the Federal agencies primarily interested in such plans and proposals and then, together with the recommendations of such agencies, to the President for such action as he may deem desirable.

(c) The Secretary shall provide effective and continuing liaison between the Federal Government and each regional commission.

(d) Each Federal agency shall, consonant with law and within the limits of available funds, cooperate with such commissions as may be established in order to assist them in carrying out their functions under this section.

(e) Each regional commission may, from time to time, make additional recommendations to the Secretary and recommendations to the State Governors and appropriate local officials, with respect to—

(1) the expenditure of funds by Federal, State, and local departments and agencies in its region in the fields of natural resources, agriculture, education, training, health and welfare, transportation, and other fields related to the purposes of this Act; and

¹ Sec. 9(b) of Public Law 93-423, 88 Stat. 1158, approved September 27, 1974, inserted the word "district", immediately following "other Federal, State,".

(2) such additional Federal, State, and local legislation or administrative actions as the commission deems necessary to further the purposes of this Act.

PROGRAM DEVELOPMENT CRITERIA

SEC. 504. In developing recommendations for programs and projects for future regional economic development, and in establishing within those recommendations a priority ranking for such programs and projects, the Secretary shall encourage each regional commission to follow procedures that will insure consideration of the following factors:

(1) the relationship of the project or class of projects to overall regional development including its location in an area determined by the State to have a significant potential for growth;

(2) the population and area to be served by the project or class of projects including the relative per capita income and the unemployment rates in the area;

(3) the relative financial resources available to the State or political subdivisions or instrumentalities thereof which seek to undertake the project;

(4) the importance of the project or class of projects in relation to other projects or classes of projects which may be in competition for the same funds;

(5) the prospects that the project, on a continuing rather than a temporary basis, will improve the opportunities for employment, the average level of income, or the economic and social development of the area served by the project.

REGIONAL TECHNICAL AND PLANNING ASSISTANCE

SEC. 505(a) (1)¹ The Secretary is authorized to provide to the commissions technical assistance which would be useful in aiding the commissions to carry out their functions under this Act and to develop recommendations and programs. Such assistance shall include studies and plans evaluating the needs of, and developing potentialities for, economic growth of such region, and research on improving the conservation and utilization of the human and natural resources of the region, and planning, investigations, studies, demonstration projects, and training programs which will further the purposes of this Act. Such assistance may be provided by the Secretary through members of his staff, through the payment of funds authorized for this section to other departments or agencies of the Federal Government, or through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grant-in-aid to the commissions. The Secretary, in his discretion, may require the repayment of assistance provided under this paragraph and prescribes the terms and conditions in such repayment.

¹ Sec. 203(a), Regional Action Planning Commission Amendments of 1969, Public Law 91-123, approved November 25, 1969, 83 Stat. 216, amended this subsection (a) to give the Regional Action Planning Commissions independent authority to engage in planning, investigations, studies, demonstration projects and training programs which will further the purposes of this Act and which have been approved by the Secretary of Commerce. These activities are to be carried out through the payment of funds to the departments, agencies, and instrumentalities of the Federal Government or by contracts for the employment of private individuals and institutions or through grants-in-aid to State or local governmental agencies. In the case of demonstration projects and training programs, to the maximum extent possible, such projects and programs are to be carried out through public agencies.

(2) In carrying out their functions under this Act the commissions are authorized to engage in planning, investigations, studies, demonstration projects, training programs, and the payment of administrative expenses to sub-State planning and development organizations (including economic development districts),¹ which will further the purposes of this Act and which have been approved by the Secretary. Such activities may be carried out by the commissions through the payment of funds to departments, agencies, or instrumentalities of the Federal Government, or through the employment of private individuals, partnerships, firms, or corporations, or suitable institutions under contracts entered into for such purposes or through grants-in-aid to agencies of State or local governments. In the case of demonstration projects and training programs, to the maximum extent possible, such projects and programs shall be carried out through departments, agencies, or instrumentalities of the Federal Government or of State or local governments.

(b) For the period ending on September ² 30 of the second full Federal fiscal year following the date of establishment of a commission, the administrative expenses of each commission as approved by the Secretary shall be paid by the Federal Government.

Thereafter, such expenses shall be paid 50 per centum by the Federal Government and 50 per centum by the States in the region, except that the administrative expenses of the Federal cochairman, his alternate, and his staff shall be paid solely by the Federal Government. The share to be paid by each State shall be determined by the Commission. The Federal cochairman shall not participate or vote in such determination.

In determining the amount of the non-Federal share of such costs or expenses, the Secretary shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services.

(c) Not to exceed 10 per centum of the funds appropriated under authority of section 509(d) of this title for any fiscal year shall be expended in such fiscal year in carrying out subsection (a) (1) and subsection (b) of this section.

* * * * *

COORDINATION

SEC. 511.³ (a) The Secretary shall coordinate his activities in making grants and loans and providing technical assistance under this Act with those of each of the regional commissions (acting through the Federal and State cochairmen) established under this Act in making grants and providing technical assistance under this title, and each of such regional commissions shall coordinate its activities in making grants and providing technical assistance under this title with those activities of the Secretary under this Act.

(b) Each regional commission established under this Act shall give due consideration in carrying out its activities under paragraphs (2)

¹ Sec. 9(b) of Public Law 93-423, 88 Stat. 1158, approved September 27, 1974, deleted the words "and training programs" and inserted the following: "training programs, and the payment of administrative expenses to sub-State planning and development organizations (including economic development districts)".

² Sec. 2(25) of the Fiscal Year Adjustment Act, Public Law 94-273, 90 Stat. 375, approved April 21, 1976, substituted "September" for "June".

³ Sec. 9(d) of Public Law 93-423, 88 Stat. 1158, approved September 27, 1974, amended section 511.

and (7) of section 503(a) of this Act to the activities of other Federal, State, local, and sub-State (including economic development districts) planning agencies in the region.

APPALACHIAN REGIONAL DEVELOPMENT

EXCERPTS FROM APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

[Public Law 89-4, 79 Stat. 5; 40 U.S.C. App. 1 et seq.]

* * * * *

ASSISTANCE FOR PLANNING AND OTHER PRELIMINARY EXPENSES OF PROPOSED LOW- AND MODERATE-INCOME HOUSING PROJECTS

SEC. 207.¹ (a) In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of low- and moderate-income families and individuals, the Secretary of Housing and Urban Development (hereafter in this section referred to as the "Secretary") is authorized to make grants and loans from the Appalachian Housing Fund established by this section, under such terms and conditions as he may prescribe, to nonprofit, limited dividend, or cooperative organizations, and public bodies, for planning and obtaining federally insured mortgage financing or other financial assistance for housing construction or rehabilitation projects for low- and moderate-income families and individuals, under section 221 of the National Housing Act, section 8 of the United States Housing Act of 1937, section 515 of the Housing Act of 1949, or any other law of similar purpose administered by the Secretary or any other department, agency, or instrumentality of the Federal or State government, in any area of the Appalachian region determined by the Commission.

(b) No loan under subsection (a) of this section shall exceed 80 per centum of the cost of planning and obtaining financing for a project, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, application and mortgage commitment fees, legal fees, and construction loan fees and discounts. Such loans shall be made without interest, except that any loan made to an organization established for profit shall bear interest at the prevailing market rate authorized for an insured or guaranteed loan for such project. The Secretary shall require payments of loans made under this section, under such terms and conditions as he may require, upon completion of the project or sooner, and except in the case of a loan to an organization established for profit, may cancel any part or all of such loan; if he determines that a permanent loan to finance such project cannot be obtained in an amount adequate for repayment of such loan under this section.

(c) (1) Except as provided in paragraph (2) of this subsection, no grant under this section shall exceed 80 per centum of those expenses, incident to planning and obtaining financing for a project, which the Secretary considers not to be recoverable from the proceeds of any

¹ Sec. 113(1) of the Regional Development Act Amendments of 1975, Public Law 94-188, 89 Stat. 1079, approved December 31, 1975, amended section 207(a) of the Appalachian Regional Development Act of 1965 to read as set forth in the text.

permanent loan made to finance such project, and no such grant shall be made to an organization established for profit.

(2) ¹ The Secretary is authorized to make grants and commitments for grants, and may advance funds under such terms and conditions as he may require, to nonprofit, limited dividend, or cooperative organizations and public bodies for reasonable site development costs and necessary offsite improvements, such as sewer and water line extensions, whenever such a grant, commitment, or advance is essential to the economic feasibility of any housing construction or rehabilitation project for low- and moderate-income families and individuals which otherwise meets the requirements for assistance under this section, except that no such grant for the construction of housing, shall exceed 10 per centum of the cost of such project, and no such grant for the rehabilitation of housing shall exceed 10 per centum of the reasonable value of such rehabilitation housing, as determined by the Secretary.

(d) All funds allocated to the Secretary for the purposes of this section shall be deposited in a fund which shall be known as the Appalachian Housing Fund and shall be used as a revolving fund by the Secretary for carrying out such purposes. General expenses of administration of this section may be charged to the fund. Moneys in the fund not needed for current operation may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

(e) The Secretary or ² the Commission may provide, or contract with public or private organizations to provide, information, advice, and technical assistance with respect to the construction, rehabilitation, and operation by nonprofit organizations of housing for low- or moderate-income families in such areas of the region ³ and may provide funds to the States for making grants and loans to nonprofit, limited dividend, or cooperative organizations and public bodies for the purposes for which the Secretary is authorized to provide funds under this section.

(f) ⁴ Programs and projects assisted under this section shall be subject to the provisions cited in section 402 of the Act, notwithstanding such section, to the extent provided in the laws authorizing assistance for low- and moderate-income housing.

* * * * *

Approved March 9, 1965.

¹ Sec. 113(2) of the Appalachian Regional Development Act Amendments of 1975, Public Law 94-188, 89 Stat. 1079, approved December 31, 1975, amended subsection 207(c) (2) of the Appalachian Regional Development Act of 1965 to read as set forth in the text.

² Sec. 208. Appalachian Regional Development Act Amendments of 1971, Public Law 92-65, approved August 5, 1971, 85 Stat. 170, inserted "or the Commission may".

³ Sec. 113(3) of the Appalachian Regional Development Act Amendments of 1975, Public Law 94-188, 89 Stat. 1079, approved December 31, 1975, amended subsection (e) of the Appalachian Regional Development Act of 1965 by inserting language before the period as set forth in the text.

⁴ Sec. 113(4) of the Appalachian Regional Development Act Amendments of 1975, Public Law 94-188, 89 Stat. 1079, approved December 31, 1975, amended section 207 of the Appalachian Regional Development Act of 1965 by adding a new subsection "(f)".

FEDERAL ADVISORY COUNCIL ON ECONOMIC DEVELOPMENT

PRESCRIBING ARRANGEMENTS FOR COORDINATION OF THE ACTIVITIES OF REGIONAL COMMISSIONS AND ACTIVITIES OF THE FEDERAL GOVERNMENT RELAT- ING TO REGIONAL ECONOMIC DEVELOPMENT, AND ESTABLISHING THE FEDERAL ADVISORY COUNCIL ON REGIONAL ECONOMIC DEVELOPMENT

Executive Order 11386¹

[33 Fed. Reg. 5]

Whereas the proper discharge of Federal responsibilities under the Appalachian Regional Development Act of 1965 (79 Stat. 5, 40 U.S.C. App.) and the Public Works and Economic Development Act of 1965 (79 Stat. 552, 42 U.S.C. 3121 *et seq.*), as amended by Public Law 90-103, 81 Stat. 257, requires that the participation of the Federal Government in regional development activities be effectively coordinated;

Whereas the President is required by the Appalachian Regional Development Act of 1965 to provide effective and continuing liaison between the Federal Government and the Appalachian Regional Commission;

Whereas the Secretary of Commerce has responsibility under the Public Works and Economic Development Act of 1965 for Federal economic development activities designed to alleviate conditions of substantial and persistent unemployment and underemployment in economically distressed areas and regions of the Nation;

Whereas the Secretary of Commerce is directed by the Public Works and Economic Development Act of 1965 to coordinate the Federal Co-chairmen appointed to regional commissions established before or after the date of that Act;

Whereas the Secretary of Commerce is required by the Public Works and Economic Development Act of 1965 to provide effective and continuing liaison between the Federal Government and each regional commission established under Title V of that Act; and

Whereas the Secretary of Commerce has been Chairman of the President's Review Committee for Development Planning in Alaska, established to provide general direction and guidance to the Federal Field Committee for Development Planning in Alaska, established by Executive Order No. 11182,² dated October 2, 1964:

Now, therefore, by virtue of the authority vested in me by the Appalachian Regional Development Act of 1965, the Public Works and Economic Development Act of 1965, and section 301 of Title 3 of the

¹ Executive Order 11608 of July 19, 1971, 36 Fed. Reg. 13367, revokes Executive Order 11386 of December 28, 1967, "to the extent that it pertains to the Federal Field Committee for Development Planning in Alaska."

² Revoked by Executive Order 11608 of July 19, 1971.

United States Code, and as President of the United States, it is ordered as follows:

SECTION 1. *Functions of the Secretary of Commerce.* The Secretary of Commerce shall—

(a) Provide the effective and continuing liaison required by section 104 of the Appalachian Regional Development Act of 1965 and by section 503(c) of the Public Works and Economic Development Act of 1965 between the Federal Government and each regional commission established under those Acts, and between the Federal Government and the Federal Field Committee for Development Planning in Alaska (hereinafter referred to as "the Field Committee").

(b) Obtain a coordinated review within the Federal Government of plans and recommendations submitted by the commissions and the Field Committee.

(c) Provide guidance and policy direction to the Federal Cochairmen and the Chairman of the Field Committee with respect to their Federal functions.

(d) Promote the effective coordination of the activities of the Federal Government relating to regional economic development.

(e) In carrying out the functions set forth in sections 1(a), (b), (c), and (d) the Secretary of Commerce shall—

(1) Review the regional economic development plans and programs submitted to him by the Federal Cochairmen, budgetary recommendations, the standards for development underlying those plans, programs and budgetary recommendations, and legislative recommendations; and advise the Federal Cochairmen of the Federal policy with respect to those matters, and where appropriate, submit recommendations to the Director of the Bureau of the Budget.

(2) Review and advise the Chairman of the Field Committee with respect to the tentative plans and recommendations of the Field Committee, and receive and consider the final plans and recommendations of the Field Committee and transmit them to the heads of interested Federal departments and agencies and to the President.

(3) Resolve any questions of policy which may arise between a Federal Cochairman and a Federal department or agency in the implementation of regional development programs.

(4) Appoint a Special Assistant and other staff as required to assist him in carrying out these functions.

SEC. 2. *Establishment of the Council.* (a) There is hereby established the Federal Advisory Council on Regional Economic Development, hereinafter referred to as "the Council."

(b) The Council shall be composed of the following members: The Secretary of Commerce, who shall be the Chairman of the Council (hereinafter referred to as "the Chairman"), the Secretary of Agriculture, the Secretary of the Army, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of the Interior, the Secretary of Labor, the Secretary of Transportation, the Director of the Office of Economic Opportunity, the Administrator of the Small Business Administration, the Federal Cochairman of the Appalachian Regional Commission, such Federal Cochairmen as are appointed by the President under authority of Title V of the Public Works and Economic Development Act of 1965, and the Chairman of the Field Committee.

(c) Whenever matters within the purview of the Council may be of interest to heads of Federal departments or agencies not repre-

sented on the Council under section 2(b) of this order, the Chairman may consult with the heads of such departments and agencies and may invite them to participate in meetings and deliberations of the Council.

(d) The Council shall meet at the call of the Chairman.

SEC. 3. *Functions of the Council.* The Council shall assist the Secretary of Commerce in carrying out the functions set forth in section 1 of this order, and shall, as requested by the Secretary of Commerce—

(a) Review proposed long-range economic development plans prepared by the regional commissions and the Field Committee.

(b) Recommend desirable development objectives and programs for such regions and Alaska.

(c) Review proposed designations of additional economic development regions under Title V of the Public Works and Economic Development Act of 1965.

(d) Review Federal programs relating to regional economic development, develop basic policies and priorities with respect to such programs, and recommend administrative or legislative action needed to stimulate and further regional economic development.

(e) Review proposed department or agency regional economic development plans.

(f) Recommend surveys and studies needed to assist the Secretary of Commerce and the Council in carrying out their functions.

SEC. 4. *Responsibilities of Participating Federal Agencies.* (a) Each Federal department and agency the head of which is referred to in section 2(b) of this order shall, as may be necessary, furnish assistance to the Council in accordance with the provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134, 31 U.S.C. 691).

(b) The head of each such Federal department or agency shall designate an Assistant Secretary or equivalent level official who shall have primary and continuing responsibility for the participation and cooperation of that department or agency in regional economic development as required by this order.

(c) The head of each such Federal department or agency shall keep the Secretary of Commerce and the Council informed of all proposed regional economic development plans of his department or agency.

(d) The head of each such Federal department or agency shall, consonant with law and within the limits of available funds, cooperate with the Council and with the Secretary of Commerce in carrying out their functions under this order. Such cooperation shall include, as may be appropriate, (1) furnishing relevant available information, (2) making studies and preparing reports, (3) in connection with the development of programs, priorities, and operations of the department or agency, giving full consideration to any plans and recommendations for the economic development of the various regions, including recommendations made by the Council, and (4) advising on the work of the Council as the Chairman may from time to time request.

SEC. 5. *Responsibilities of the Federal Cochairmen and the Chairman of the Field Committee.* The Federal Cochairmen, and the Chairman of the Field Committee as appropriate, shall—

(a) Maintain continuing liaison with the Secretary of Commerce with respect to the activities of the regional commissions and the Field Committee.

(b) Adhere to general Federal policies affecting regional economic development that are established by the Secretary of Commerce.

(c) Inform the appropriate Federal departments and agencies of programs and projects to be considered by the commissions, and attempt to obtain a consensus within the Federal Government through consultation with appropriate Federal agency representatives before casting a vote on any such matter.

(d) Represent the participating Federal departments and agencies in connection with the activities of the regional commissions.

(e) Submit to the Secretary of Commerce regional economic development plans and programs of the regional commissions, budgetary recommendations, legislative recommendations, and progress reports, as requested by the Secretary of Commerce, on the activities of the regional commissions.

(f) Submit reports required by section 304 of the Appalachian Regional Development Act of 1965 and by section 510 of the Public Works and Economic Development Act of 1965 to the Secretary of Commerce for review prior to transmittal to the President or the Congress.

SEC. 6. *Appalachian Program.* (a) Funds appropriated pursuant to section 201 and 401 of the Appalachian Regional Development Act of 1965 shall be available to the Federal Cochairman of the Appalachian Regional Commission for the purposes of carrying out that Act.

(b) The Federal Cochairman of the Appalachian Regional Commission is delegated the functions conferred upon the President by sections 214(a), 302(a), and 302(c) of the Appalachian Regional Development Act of 1965, which shall be exercised by him in accordance with the provisions of this order.

SEC. 7. *Construction.* Nothing in this order shall be construed as subjecting any function vested by law in, or assigned pursuant to law to, any Federal department or agency, to the authority of the Council or the Secretary of Commerce, or as abrogating or restricting any such function in any manner.

SEC. 8. *Definition.* Except as the context may otherwise require, any reference herein to any Act, or to any provision of any Act, shall be deemed to be a reference thereto as amended from time to time.

SEC. 9. *Prior Executive Orders.* (a) Executive Order No. 11182, as amended, is hereby further amended as follows:

(1) By changing the heading of the order so as to read as follows: "ESTABLISHING THE FEDERAL FIELD COMMITTEE FOR DEVELOPMENT PLANNING IN ALASKA".

(2) By striking the words "the Housing and Home Finance Administrator" from section 1(b) and by inserting in lieu thereof the words "the Secretary of Housing and Urban Development, the Director of the Office of Economic Opportunity".

(3) By substituting the following for subsection (a) of section 2:
"(a) Subject to the general direction and guidance of the Secretary of Commerce, the Field Committee shall serve as the principal instrumentality for developing coordinated plans for Federal programs which contribute to economic and resources development in Alaska and for recommending appropriate action by the Federal Government to carry out such plans."

(4) By striking from sections 3(e) and 3(f) the words "Review Committee" and by inserting in lieu thereof the words "Secretary of Commerce".

(5) By revoking Part II. The President's Review Committee for Development Planning in Alaska, established by that Part, shall be deemed to be hereby abolished.

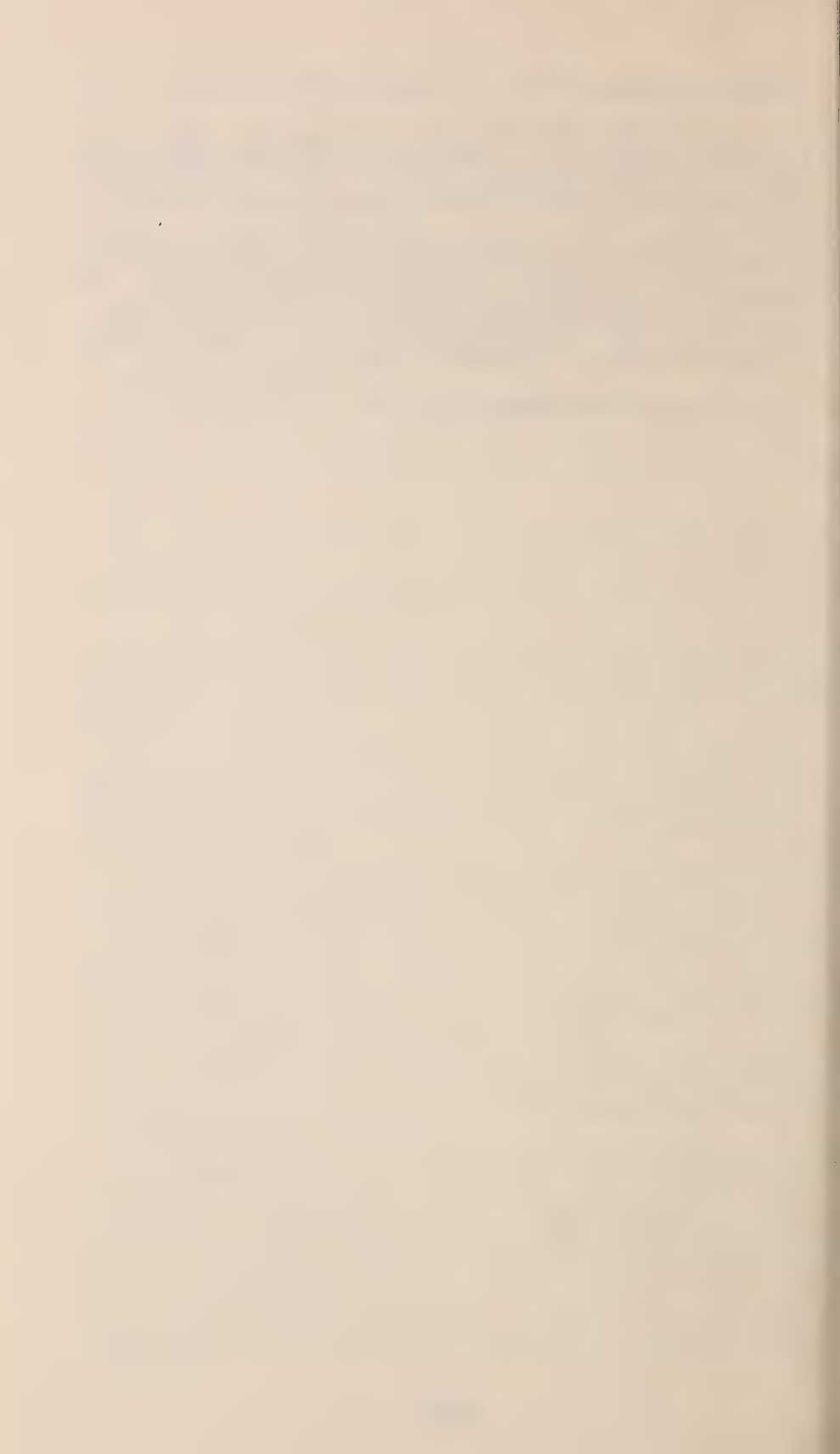
(6) By redesignating Part III and section 31 thereof as Part II and section 21, respectively.

(7) By redesignating Part IV and sections 41, 42, and 43 as Part III and sections 31, 32, and 33, respectively, and by striking from the redesignated section 33 the words "and the Review Committee".

(b) The Federal Development Committee for Appalachia, established by Executive Order No. 11209 of March 25, 1965, is hereby abolished and that order is hereby revoked.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *December 28, 1967.*



PART III: GENERAL LAWS APPLICABLE TO HOUSING AND COMMUNITY DEVELOPMENT

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970

RELOCATION PAYMENTS AND ASSISTANCE—REPLACEMENT HOUSING—REAL PROPERTY ACQUISITION PROCEDURES

[Public Law 91-646, 84 Stat. 1894; 42 U.S.C. 4601]

AN ACT To provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs and to establish uniform and equitable land acquisition policies for Federal and federally assisted programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970."

TITLE I—GENERAL PROVISIONS

SEC. 101. As used in this Act—

(1) The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government (except the National Capital Housing Authority), any wholly owned Government corporation (except the District of Columbia Redevelopment Land Agency), and the Architect of the Capitol, the Federal Reserve banks and branches thereof.

(2) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, the Trust Territory of the Pacific Islands, and any political subdivision thereof.

(3) The term "State agency" means the National Capital Housing Authority, the District of Columbia Redevelopment Land Agency, and any department, agency, or instrumentality of a State or of a political subdivision of a State, or any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States.

(4) The term "Federal financial assistance" means a grant, loan, or contribution provided by the United States, except any Federal guarantee or insurance and any annual payment or capital loan to the District of Columbia.

(5) The term "person" means any individual, partnership, corporation, or association.

(6) The term "displaced person" means any person who, on or after the effective date of this Act, moves from real property, or

moves his personal property from real property, as a result of the acquisition of such real property, in whole or in part, or as the result of the written order of the acquiring agency to vacate real property, for a program or project undertaken by a Federal agency, or with Federal financial assistance; and solely for the purposes of sections 202 (a) and (b) and 205 of this title, as a result of the acquisition of or as the result of the written order of the acquiring agency to vacate other real property, on which such person conducts a business or farm operation, for such program or project.

(7) The term "business" means any lawful activity, excepting a farm operation, conducted primarily—

(A) for the purchase, sale, lease and rental of personal and real property, and for the manufacture, processing, or marketing of products, commodities, or any other personal property;

(B) for the sale of services to the public;

(C) by a nonprofit organization; or the premises on which any of the above activities are conducted.

(D) solely for the purposes of section 202(a) of this title, for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property, or services by the erection and maintenance of an outdoor advertising display or displays, whether or not such display or displays are located on

(8) The term "farm operation" means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

(9) The term "mortgage" means such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the State in which the real property is located, together with the credit instruments, if any, secured thereby.

EFFECT UPON PROPERTY ACQUISITION

SEC. 102. (a) The provisions of section 301 of title III of this Act create no rights or liabilities and shall not affect the validity of any property acquisitions by purchase or condemnation.

(b) Nothing in this Act shall be construed as creating in any condemnation proceedings brought under the power of eminent domain, any element of value or of damage not in existence immediately prior to the date of enactment of this Act.

TITLE II—UNIFORM RELOCATION ASSISTANCE

DECLARATION OF POLICY

SEC. 201. The purpose of this title is to establish a uniform policy for the fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.

MOVING AND RELATED EXPENSES

SEC. 202. (a) Whenever the acquisition of real property for a program or project undertaken by a Federal agency in any State will

result in the displacement of any person on or after the effective date of this Act, the head of such agency shall make a payment to any displaced person, upon proper application as approved by such agency head, for—

(1) actual reasonable expenses in moving himself, his family, business, farm operation, or other personal property;

(2) actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate such property, as determined by the head of the agency; and

(3) actual reasonable expenses in searching for a replacement business or farm.

(b) Any displaced person eligible for payments under subsection (a) of this section who is displaced from a dwelling and who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section may receive a moving expense allowance, determined according to a schedule established by the head of the Federal agency, not to exceed \$300; and a dislocation allowance of \$200.

(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from his place of business or from his farm operation and who elects to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section, may receive a fixed payment in an amount equal to the average annual net earnings of the business or farm operation, except that such payment shall be not less than \$2,500 nor more than \$10,000. In the case of a business no payment shall be made under this subsection unless the head of the Federal agency is satisfied that the business (1) cannot be relocated without a substantial loss of its existing patronage, and (2) is not a part of a commercial enterprise having at least one other establishment not being acquired by the United States, which is engaged in the same or similar business. For purposes of this subsection, the term "average annual net earnings" means one-half of any net earnings of the business or farm operation, before Federal, State, and local income taxes, during the two taxable years immediately preceding the taxable year in which such business or farm operation moves from the real property acquired for such project, or during such other period as the head of such agency determines to be more equitable for establishing such earnings, and includes any compensation paid by the business or farm operation to the owner, his spouse, or his dependents during such period.

REPLACEMENT HOUSING FOR HOMEOWNERS

SEC. 203. (a) (1) In addition to payments otherwise authorized by this title, the head of the Federal agency shall make an additional payment not in excess of \$15,000 to any displaced person who is displaced from a dwelling actually owned and occupied by such displaced person for not less than one hundred and eighty days prior to the initiation of negotiations for the acquisition of the property. Such additional payment shall include the following elements:

(A) The amount, if any, which when added to the acquisition cost of the dwelling acquired by the Federal agency, equals the reasonable cost of a comparable replacement dwelling which is a decent, safe,

and sanitary dwelling adequate to accommodate such displaced person, reasonably accessible to public services and places of employment and available on the private market. All determinations required to carry out this subparagraph shall be made in accordance with standards established by the head of the Federal agency making the additional payment.

(B) The amount, if any, which will compensate such displaced person for any increased interest costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the Federal agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than one hundred and eighty days prior to the initiation of negotiations for the acquisition of such dwelling. Such amount shall be equal to the excess in the aggregate interest and other debt service costs of that amount of the principal of the mortgage on the replacement dwelling which is equal to the unpaid balance of the mortgage on the acquired dwelling, over the remainder term of the mortgage on the acquired dwelling, reduced to discounted present value. The discount rate shall be the prevailing interest rate paid on savings deposits by commercial banks in the general area in which the replacement dwelling is located.

(C) Reasonable expenses incurred by such displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.

(2) The additional payment authorized by this subsection shall be made only to such a displaced person who purchases and occupies a replacement dwelling which is decent, safe, and sanitary not later than the end of the one year period beginning on the date on which he receives from the Federal agency final payment of all costs of the acquired dwelling, or on the date on which he moves from the acquired dwelling, whichever is the later date.

(b) The head of any Federal agency may, upon application by a mortgagee, insure any mortgage (including advances during construction) on a comparable replacement dwelling executed by a displaced person assisted under this section, which mortgage is eligible for insurance under any Federal law administered by such agency notwithstanding any requirements under such law relating to age, physical condition, or other personal characteristics of eligible mortgagors, and may make commitments for the insurance of such mortgage prior to the date of execution of the mortgage.

REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

SEC. 204. In addition to amounts otherwise authorized by this title, the head of the Federal agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 203 which dwelling was actually and lawfully occupied by such displaced person for not less than ninety days prior to the initiation of negotiations for acquisition of such dwelling. Such payment shall be either—

(1) the amount necessary to enable such displaced person to lease or rent for a period not to exceed four years, a decent, safe, and sanitary dwelling of standards adequate to accommodate such person in areas not generally less desirable in regard to public utilities and public and commercial facilities, and reasonably accessible to his place of employment, but not to exceed \$4,000, or

(2) the amount necessary to enable such person to make a downpayment (including incidental expenses described in section 203(a)(1)(C) on the purchase of a decent, safe, and sanitary dwelling of standards adequate to accommodate such person in areas not generally less desirable in regard to public utilities and public and commercial facilities, but not to exceed \$4,000, except that if such amount exceeds \$2,000, such person must equally match any such amount in excess of \$2,000, in making the downpayment.

RELOCATION ASSISTANCE ADVISORY SERVICES

SEC. 205. (a) Whenever the acquisition of real property for a program or project undertaken by a Federal agency in any State will result in the displacement of any person on or after the effective date of this section, the head of such agency shall provide a relocation assistance advisory program for displaced persons which shall offer the services described in subsection (c) of this section. If such agency head determines that any person occupying property immediately adjacent to the real property acquired is caused substantially economic injury because of the acquisition, he may offer such person relocation advisory services under such program.

(b) Federal agencies administering programs which may be of assistance to displaced persons covered by this Act shall cooperate to the maximum extent feasible with the Federal or State agency causing the displacement to assure that such displaced persons receive the maximum assistance available to them.

(c) Each relocation assistance advisory program required by subsection (a) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

(1) determine the need, if any, of displaced persons, for relocation assistance;

(2) provide current and continuing information on the availability, prices, and rentals, of comparable decent, safe, and sanitary sales and rental housing, and of comparable commercial properties and locations for displaced businesses;

(3) assure that, within a reasonable period of time, prior to displacement there will be available in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings, as defined by such Federal agency head, equal in number to the number of and available to such displaced persons who require such dwellings and reasonably accessible to their places of

employment, except that the head of that Federal agency may prescribe by regulation situations when such assurances may be waived;

(4) assist a displaced person displaced from his business or farm operation in obtaining and becoming established in a suitable replacement location;

(5) supply information concerning Federal and State housing programs, disaster loan programs, and other Federal or State programs offering assistance to displaced persons; and

(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

(d) The heads of Federal agencies shall coordinate relocation activities with project work, and other planned or proposed governmental actions in the community or nearby areas which may affect the carrying out of relocation assistance programs.

HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

SEC. 206. (a) If a Federal project cannot proceed to actual construction because comparable replacement sale or rental housing is not available, and the head of the Federal agency determines that such housing cannot otherwise be made available he may take such action as is necessary or appropriate to provide such housing by use of funds authorized for such project.

(b) No person shall be required to move from his dwelling on or after the effective date of this title, on account of any Federal project, unless the Federal agency head is satisfied that replacement housing, in accordance with section 205(c) (3), is available to such person.

STATE REQUIRED TO FURNISH REAL PROPERTY INCIDENT TO FEDERAL ASSISTANCE (LOCAL COOPERATION)

SEC. 207. Whenever real property is acquired by a State agency and furnished as a required contribution incident to a Federal program or project, the Federal agency having authority over the program or project may not accept such property unless such State agency has made all payments and provided all assistance and assurances, as are required of a State agency by sections 210 and 305 of this Act. Such State agency shall pay the cost of such requirements in the same manner and to the same extent as the real property acquired for such project, except that in the case of any real property acquisition or displacement occurring prior to July 1, 1972, such Federal agency shall pay 100 per centum of the first \$25,000 of the cost of providing such payments and assistance.

STATE ACTING AS AGENT FOR FEDERAL PROGRAM

SEC. 208. Whenever real property is acquired by a State agency at the request of a Federal agency for a Federal program or project, such acquisition shall, for the purposes of this Act, be deemed an acquisition by the Federal agency having authority over such program or project.

PUBLIC WORKS PROGRAMS AND PROJECTS OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA AND OF THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

SEC. 209. Whenever real property is acquired by the government of the District of Columbia or the Washington Metropolitan Area Transit Authority for a program or project which is not subject to sections 210 and 211 of this title, and such acquisition will result in the displacement of any person on or after the effective date of this Act, the Commissioner of the District of Columbia or the Washington Metropolitan Area Transit Authority, as the case may be, shall make all relocation payments and provide all assistance required of a Federal agency by this Act. Whenever real property is acquired for such a program or project on or after such effective date, such Commissioner or Authority, as the case may be, shall make all payments and meet all requirements prescribed for a Federal agency by title III of this Act.

REQUIREMENTS FOR RELOCATION PAYMENTS AND ASSISTANCE OF FEDERALLY ASSISTED PROGRAM; ASSURANCES OF AVAILABILITY OF HOUSING

SEC. 210. Notwithstanding any other law, the head of a Federal agency shall not approve any grant to, or contract or agreement with, a State agency, under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after the effective date of this title, unless he receives satisfactory assurances from such State agency that—

(1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under sections 202, 203, and 204 of this title;

(2) relocation assistance programs offering the services described in section 205 shall be provided to such displaced persons;

(3) within a reasonable period of time prior to displacement, decent, safe, and sanitary replacement dwellings will be available to displaced persons in accordance with section 205(c)(3).

FEDERAL SHARE OF COSTS

SEC. 211. (a) The cost to a State agency of providing payments and assistance pursuant to section 206, 210, 215, and 305, shall be included as part of the cost of a program or project for which Federal financial assistance is available to such State agency, and such State agency shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs, except that, notwithstanding any other law in the case where the Federal financial assistance is by grant or contribution the Federal agency shall pay the full amount of the first \$25,000 of the cost to a State agency of providing payments and assistance for a displaced person under sections 206, 210, 215, and 305, on account of any acquisition or displacement occurring prior to July 1, 1972, and in any case where such Federal

financial assistance is by loan, the Federal agency shall loan such State agency the full amount of the first \$25,000 of such cost.

(b) No payment or assistance under section 210 or 305 shall be required or included as a program or project cost under this section, if the displaced person receives a payment required by the State law of eminent domain which is determined by such Federal agency head to have substantially the same purpose and effect as such payment under this section, and to be part of the cost of the program or project for which Federal financial assistance is available.

(c) Any grant to, or contract or agreement with, a State agency executed before the effective date of this title, under which Federal financial assistance is available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after the effective date of this Act, shall be amended to include the cost of providing payments and services under sections 210 and 305. If the head of a Federal agency determines that it is necessary for the expeditious completion of a program or project he may advance to the State agency the Federal share of the cost of any payments or assistance by such State agency pursuant to sections 206, 210, 215, and 305.

ADMINISTRATION—RELOCATION ASSISTANCE IN PROGRAMS RECEIVING FEDERAL FINANCIAL ASSISTANCE

SEC. 212. In order to prevent unnecessary expenses and duplications of functions, and to promote uniform and effective administration of relocation assistance programs for displaced persons under sections 206, 210, and 215 of this title, a State agency may enter into contracts with any individual, firm, association, or corporation for services in connection with such programs, or may carry out its functions under this title through any Federal or State governmental agency or instrumentality having an established organization for conducting relocation assistance programs. Such State agency shall, in carrying out the relocation assistance activities described in section 206, whenever practicable, utilize the services of State or local housing agencies, or other agencies having experience in the administration or conduct of similar housing assistance activities.

REGULATIONS AND PROCEDURES

SEC. 213. (a) In order to promote uniform and effective administration of relocation assistance and land acquisition of State or local housing agencies, or other agencies having programs or projects by Federal agencies or programs or projects by State agencies receiving Federal financial assistance, the heads of Federal agencies shall consult together on the establishment of regulations and procedures for the implementation of such programs.

(b) The head of each Federal agency is authorized to establish such regulations and procedures as he may determine to be necessary to assure—

(1) that the payments and assistance authorized by this Act shall be administered in a manner which is fair and reasonable, and as uniform as practicable;

(2) that a displaced person who makes proper application for a payment authorized for such person by this title shall be paid promptly after a move or, in hardship cases, be paid in advance; and

(3) that any person aggrieved by a determination as to eligibility for a payment authorized by this Act, or the amount of a payment, may have his application reviewed by the head of the Federal agency having authority over the applicable program or project, or in the case of a program or project receiving Federal financial assistance, by the head of the State agency.

(c) The head of each Federal agency may prescribe such other regulations and procedures, consistent with the provisions of this Act, as he deems necessary or appropriate to carry out this Act.

ANNUAL REPORT

SEC. 214. The head of each Federal agency shall prepare and submit an annual report to the President on the activities of such agency with respect to the programs and policies established or authorized by this Act, and the President shall submit such reports to the Congress not later than January 15 of each year, beginning January 15, 1972, and ending January 15, 1975, together with his comments or recommendations. Such reports shall give special attention to: (1) the effectiveness of the provisions of this Act assuring the availability of comparable replacement housing, which is decent, safe, and sanitary, for displaced homeowners and tenants; (2) actions taken by the agency to achieve the objectives of the policies of Congress, declared in this Act, to provide uniform and equal treatment, to the greatest extent practicable, for all persons displaced by, or having real property taken for, Federal or federally assisted programs; (3) the views of the Federal agency head on the progress made to achieve such objectives in the various programs conducted or administered by such agency, and among the Federal agencies; (4) any indicated effects of such programs and policies on the public; and (5) any recommendations he may have for further improvements in relocation assistance and land acquisition programs, policies, and implementing laws and regulations.

PLANNING AND OTHER PRELIMINARY EXPENSES FOR ADDITIONAL HOUSING

SEC. 215. In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of displaced persons who are displaced from dwellings because of any Federal or Federal financially assisted project, the head of the Federal agency administering such project is authorized to make loans as a part of the cost of any such project, or to approve loans as a part of the cost of any such project receiving Federal financial assistance, to nonprofit, limited dividend, or cooperative organizations or to public bodies, for necessary and reasonable expenses, prior to construction, for planning and obtaining federally insured mortgage financing for the rehabilitation or construction of housing for such displaced persons. Notwithstanding the preceding sentence, or any other law, such loans shall be available for not to exceed 80 per centum of the reasonable costs expected

to be incurred in planning, and in obtaining financing for, such housing, prior to the availability of such financing, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering, preliminary architectural fees, site acquisition, application and mortgage commitment fees, and construction loan fees and discounts. Loans to an organization established for profit shall bear interest at a market rate established by the head of such Federal agency. All other loans shall be without interest. Such Federal agency head shall require repayment of loans made under this section, under such terms and conditions as he may require, upon completion of the project or sooner, and except in the case of a loan to an organization established for profit, may cancel any part or all of a loan if he determines that a permanent loan to finance the rehabilitation or the construction of such housing cannot be obtained in an amount adequate for repayment of such loan. Upon repayment of any such loan, the Federal share of the sum repaid shall be credited to the account from which such loan was made, unless the Secretary of the Treasury determines that such account is no longer in existence, in which case such sum shall be returned to the Treasury and credited to miscellaneous receipts.

PAYMENTS NOT TO BE CONSIDERED AS INCOME

SEC. 216. No payment received under this title shall be considered as income for the purposes of the Internal Revenue Code of 1954; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law.

DISPLACEMENT BY CODE ENFORCEMENT, REHABILITATION, AND DEMOLITION PROGRAMS RECEIVING FEDERAL ASSISTANCE

SEC. 217. A person who moves or discontinues his business, or moves other personal property, or moves from his dwelling on or after the effective date of this Act, as a direct result of any project or program which receives Federal financial assistance under title I of the Housing Act of 1949, as amended, or as a result of carrying out a comprehensive city demonstration program under title I of the Demonstration Cities and Metropolitan Development Act of 1966, shall for the purposes of this title, be deemed to have been displaced as the result of the acquisition of real property.

TRANSFERS OF SURPLUS PROPERTY

SEC. 218. The Administrator of General Services is authorized to transfer to a State agency for the purpose of providing replacement housing required by this title, any real property surplus to the needs of the United States within the meaning of the Federal Property and Administrative Services Act of 1949, as amended. Such transfer shall be subject to such terms and conditions as the Administrator determines necessary to protect the interests of the United States and may be made without monetary consideration, except that such State agency shall pay to the United States all amounts received by such agency from any sale, lease, or other disposition of such property for such housing.

DISPLACEMENT BY A SPECIFIC PROGRAM

SEC. 219. Notwithstanding any other provision of this title, a person—

(1) who moves or discontinues his business, moves other personal property, or moves from his dwelling on or after January 1, 1969, and before the 90th day after the date of enactment of this Act as the result of the contemplated demolition of structures or the construction of improvements on real property acquired, in whole or in part, by a Federal agency within the area in New York, New York, bounded by Lexington and Third Avenues and 31st and 32d Streets; and

(2) who has lived on, or conducted a business on, such real property for at least one year prior to the date of enactment of this Act;

may be considered a displaced person for purposes of sections 202 (a) and (b), 204, and 205 of this title, by the head of the agency acquiring the real property if—

(A) the head of the agency determines that such person has suffered undue hardship as the result of displacement from the real property; and

(B) the Federal Government acquired and held such property for at least five years prior to the date of enactment of this Act.

REPEALS

SEC. 220. (a) The following laws and parts of laws are hereby repealed:

(1) The Act entitled "An Act to authorize the Secretary of the Interior to reimburse owners of lands required for development under his jurisdiction for their moving expenses, and for other purposes," approved May 29, 1958 (43 U.S.C. 1231-1234).

(2) Paragraph 14 of section 203(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473).

(3) Section 2680 of title 10, United States Code.

(4) Section 7(b) of the Urban Mass Transportation Act of 1965¹ (49 U.S.C. 1606(b)).

(5) Section 114 of the Housing Act of 1949 (42 U.S.C. 1465).

(6) Paragraphs (7)(b)(iii) and (8) of section 15 of the United States Housing Act of 1937 (42 U.S.C. 1415, 1415(8)), except the first sentence of paragraph (8).

(7) Section 2 of the Act entitled "An Act to authorize the Commissioners of the District of Columbia to pay relocation costs made necessary by actions of the District of Columbia government, and for other purposes", approved October 6, 1964 (78 Stat. 1004; Public Law 88-629; D.C. Code 5-729).

(8) Section 404 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3074).

(9) Section 107 (b) and (c) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3307).

(10) Chapter 5 of title 23, United States Code.

¹ The reference to the Urban Mass Transportation Act of 1965 is in error. The reference should be to the Urban Mass Transportation Act of 1964.

(11) Sections 32 and 33 of the Federal-Aid Highway Act of 1968 (Public Law 90-495).

(b) Any rights or liabilities now existing under prior Acts or portions thereof shall not be affected by the repeal of such prior Acts or portions thereof under subsection (a) of this section.

EFFECTIVE DATE

SEC. 221. (a) Except as provided in subsections (b) and (c) of this section, this Act and the amendments made by this Act shall take effect on the date of its enactment.

(b) Until July 1, 1972, sections 210 and 305 shall be applicable to a State only to the extent that such State is able under its laws to comply with such sections. After July 1, 1972, such sections shall be completely applicable to all States.

(c) The repeals made by paragraphs (4), (5), (6), (8), (9), (10), (11), and (12) of section 220(a) of this title and section 306 of title III shall not apply to any State so long as sections 210 and 305 are not applicable in such State.

TITLE III—UNIFORM REAL PROPERTY ACQUISITION POLICY

UNIFORM POLICY ON REAL PROPERTY ACQUISITION PRACTICES

SEC. 301. In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the many Federal programs, and to promote public confidence in Federal land acquisition practices, heads of Federal agencies shall, to the greatest extent practicable, be guided by the following policies:

(1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(2) Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property.

(3) Before the initiation of negotiations for real property, the head of the Federal agency concerned shall establish an amount which he believes to be just compensation therefor and shall make a prompt offer to acquire the property for the full amount so established. In no event shall such amount be less than the agency's approved appraisal of the fair market value of such property. Any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property. The head of the Federal agency concerned shall provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount he established as just compensation. Where appropriate the just com-

pensation for the real property acquired and for damages to remaining real property shall be separately stated.

(4) No owner shall be required to surrender possession of real property before the head of the Federal agency concerned pays the agreed purchase price, or deposits with the court in accordance with section 1 of the Act of February 26, 1931 (46 Stat. 1421; 40 U.S.C. 258a), for the benefit of the owner, an amount not less than the agency's approved appraisal of the fair market value of such property, or the amount of the award of compensation in the condemnation proceeding for such property.

(5) The construction or development of a public improvement shall be so scheduled that, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from a dwelling (assuming a replacement dwelling as required by title II will be available), or to move his business or farm operation, without at least ninety days' written notice from the head of the Federal agency concerned, of the date by which such move is required.

(6) If the head of a Federal agency permits an owner or tenant to occupy the real property acquired on a rental basis for a short term or for a period subject to termination by the Government on short notice, the amount of rent required shall not exceed the fair rental value of the property to a short-term occupier.

(7) In no event shall the head of a Federal agency either advance the time of condemnation, or defer negotiations or condemnation and the deposit of funds in court for the use of the owner, or take any other action coercive in nature, in order to compel an agreement on the price to be paid for the property.

(8) If any interest in real property is to be acquired by exercise of the power of eminent domain, the head of the Federal agency concerned shall institute formal condemnation proceedings. No Federal agency head shall intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his real property.

(9) If the acquisition of only part of a property would leave its owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire the entire property.

BUILDINGS, STRUCTURES, AND IMPROVEMENTS

SEC. 302. (a) Notwithstanding any other provision of law, if the head of a Federal agency acquires any interest in real property in any State, he shall acquire at least an equal interest in all buildings, structures, or other improvements located upon the real property so acquired and which he requires to be removed from such real property or which he determines will be adversely affected by the use to which such real property will be put.

(b) (1) For the purpose of determining the just compensation to be paid for any building, structure, or other improvement required to be acquired by subsection (a) of this section, such building, structure, or other improvement shall be deemed to be a part of the real property to be acquired notwithstanding the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term,

and the fair market value which such building, structure, or improvement contributes to the fair market value of the real property to be acquired, or the fair market value of such building, structure, or improvement for removal from the real property, whichever is the greater, shall be paid to the tenant therefor.

(2) Payment under this subsection shall not result in duplication of any payments otherwise authorized by law. No such payment shall be made unless the owner of the land involved disclaims all interest in the improvements of the tenant. In consideration for any such payment, the tenant shall assign, transfer, and release to the United States all his right, title, and interest in and to such improvements. Nothing in this subsection shall be construed to deprive the tenant of any rights to reject payment under this subsection and to obtain payment for such property interests in accordance with applicable law, other than this subsection.

EXPENSES INCIDENTAL TO TRANSFER OF TITLE TO UNITED STATES

SEC. 303. The head of a Federal agency, as soon as practicable after the date of payment of the purchase price or the date of deposit in court of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, shall reimburse the owner, to the extent the head of such agency deems fair and reasonable, for expenses he necessarily incurred for—

(1) recording fees, transfer taxes, and similar expenses incidental to conveying such real property to the United States;

(2) penalty costs for prepayment of any preexisting recorded mortgage entered into in good faith encumbering such real property; and

(3) the pro rata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting title in the United States, or the effective date of possession of such real property by the United States, whichever is the earlier.

LITIGATION EXPENSES

SEC. 304. (a) The Federal court having jurisdiction of a proceeding instituted by a Federal agency to acquire real property by condemnation shall award the owner of any right, or title to, or interest in, such real property such sum as will in the opinion of the court reimburse such owner for his reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of the condemnation proceedings, if—

(1) the final judgment is that the Federal agency cannot acquire the real property by condemnation; or

(2) the proceeding is abandoned by the United States.

(b) Any award made pursuant to subsection (a) of this section shall be paid by the head of the Federal agency for whose benefit the condemnation proceedings was instituted.

(c) The court rendering a judgment for the plaintiff in a proceeding brought under section 1346(a)(2) or 1491 of title 28, United States Code, awarding compensation for the taking of property by a Federal agency, or the Attorney General effecting a settlement of any such

proceeding, shall determine and award or allow to such plaintiff, as a part of such judgment or settlement, such sum as will in the opinion of the court or the Attorney General reimburse such plaintiff for his reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of such proceeding.

REQUIREMENTS FOR UNIFORM LAND ACQUISITION POLICIES; PAYMENTS OF EXPENSES INCIDENTAL TO TRANSFER OF REAL PROPERTY TO STATE; PAYMENT OF LITIGATION EXPENSES IN CERTAIN CASES

SEC. 305. Notwithstanding any other law, the head of a Federal agency shall not approve any program or project or any grant to, or contract or agreement with, a State agency under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the acquisition of real property on and after the effective date of this title, unless he receives satisfactory assurances from such State agency that—

(1) in acquiring real property it will be guided, to the greatest extent practicable under State law, by the land acquisition policies in section 301 and the provisions of section 302, and

(2) property owners will be paid or reimbursed for necessary expenses as specified in sections 303 and 304.

REPEALS

SEC. 306. Sections 401, 402, and 403 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3071-3073), section 35(a) of the Federal-Aid Highway Act of 1968 (23 U.S.C. 141) and section 301 of the Land Acquisition Policy Act of 1960 (33 U.S.C. 596) are hereby repealed. Any rights or liabilities now existing under prior Acts or portions thereof shall not be affected by the repeal of such prior Act or portions thereof under this section.

Approved January 2, 1971.

EXCERPTS FROM SMALL BUSINESS ACT

[Public Law 536, 85th Congress; 15 U.S.C. 631]

SEC. 1. This may be cited as the "Small Business Act."

SEC. 2. (a) The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competi-

tive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the Government (including but not limited to contracts or subcontracts for maintenance, repair, and construction) be placed with small-business enterprises, to insure that a fair proportion of the total sales of Government property be made to such enterprises, and to maintain and strengthen the overall economy of the Nation.¹

(b)² It is the declared policy of the Congress that the Government, through the Small Business Administration, should aid and assist small business concerns which are engaged in the production of food and fiber, ranching, and raising of livestock, aquaculture, and all other farming and agricultural related industries; and the financial assistance programs authorized by this Act are also to be used to assist such concerns.

(c)³ The assistance programs authorized by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.

(d) Further, it is the declared policy of the Congress that the Government should aid and assist victims of floods and other catastrophes, and small-business concerns which are displaced as a result of federally aided construction programs.⁴

SEC. 3. For the purposes of this Act, a small-business concern,⁵ including but not limited to enterprises that are engaged in the business of production of food and fiber, ranching and raising of livestock, aquaculture, and all other farming and agricultural related industries, shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administrator, in making a detailed definition may use these criteria among others: Number of employees and dollar volume of business. Where the number of employees is used as one of the criteria in making such definition for any of the purposes of this Act, the maximum number of employees which a small-business concern may have under the definition shall vary from industry to industry to the extent necessary to reflect differing char-

¹ The subcontracts of contractors performing work or rendering services under Government procurement contracts were included within the policy statements of this section by sec. 6 of Public Law 87-305.

² Sec. 112(a) of the Small Business Act and Small Business Investment Act of 1958, Amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976, redesignated paras. "(b)" and "(c)" as paras. "(c)" and "(d)" and inserted a new para. "(b)".

³ Sec. 2(a)(1), Small Business Amendments of 1974, Public Law 93-386, approved August 23, 1974, 88 Stat. 742, added paragraph (b) as set forth in the text and now redesignated as paragraph (c) by the Small Business Act and Small Business Investment Act of 1958, Amendments, Public Law 93-305, 90 Stat. 773, approved June 4, 1976.

⁴ The last 15 words of this subsection added by sec. 305(b) of the Housing Act of 1961, Public Law 87-70, approved June 30, 1961, 75 Stat. 140.

⁵ Sec. 112(b) of the Small Business Act and Small Business Investment Act of 1958, Amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976 added the words "including but not limited to enterprises that are engaged in the business of production of food and fiber, ranching and raising of livestock, aquaculture, and all other farming and agricultural related industries," immediately following the word "concern".

acteristics of such industries and to take proper account of other relevant factors.

* * * * *

SEC. 7. (a) The Administration is empowered to make loans to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or civilian production or as may be necessary to insure a well-balanced national economy; and such loans may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis. The foregoing powers shall be subject, however, to the following restrictions and limitations:

(1) No financial assistance shall be extended pursuant to this subsection unless the financial assistance applied for is not otherwise available on reasonable terms from non-Federal sources.¹

(2) No immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

(3) In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement.

(4) Except as provided in paragraph (5), (A) no loan under this subsection shall be made if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this Act would exceed \$500,000: ² *Provided*, That no such loan made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis shall exceed \$350,000; (B) the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum; ³ and (C) no such loan, including renewals or extensions thereof, may be made for a period or periods exceeding ten years except that such portion of a loan made for the purpose of constructing facilities may

¹ Sec. 112(c) of the Small Business Act and Small Business Investment Act of 1958, Amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976, added the words "from non-Federal sources" immediately before the period at the end of para. 7(a)(1).

² Sec. 111 of the Small Business Act and Small Business Investment Act of 1958, Amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976, amended para. 7(a)(4)(A) of the Small Business Act by deleting "\$350,000" and inserting in lieu thereof "\$500,000: *Provided*, That no such loan made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis shall exceed \$350,000".

³ Sec. 8, Small Business Amendments of 1974, Public Law 93-386, approved August 23, 1974, 88 Stat. 742, substituted provisions for determining the rate of interest for the Administration's share of any loan for provisions setting forth the rate of interest for the Administration's share of any loan as not more than 5½ per centum per annum in this paragraph and in paragraph (a)(5)(B).

have maturity of fifteen¹ years plus such additional period as is estimated may be required to complete such construction.

(5) In the case of any loan made under this subsection to a corporation formed and capitalized by a group of small-business concerns with resources provided by them for the purpose of obtaining for the use of such concerns raw materials, equipment, inventories, supplies or the benefits of research and development, or for establishing facilities for such purpose, (A) the limitation of \$350,000 prescribed in paragraph (4) shall not apply, but the limit of such loan shall be \$250,000 multiplied by the number of separate small businesses which formed and capitalized such corporation; (B) the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum;² and (C) such loan, including renewals and extensions thereof, may not be made for a period or periods exceeding ten years except that if such loan is made for the purpose of constructing facilities it may have a maturity of twenty years plus such additional time as is required to complete such construction.

(6) The Administrator is authorized to consult with representatives of small-business concerns with a view to encouraging the formation by such concerns of the corporation referred to in paragraph (5). No act or omission to act, if requested by the Administrator pursuant to this paragraph, and if found and approved by the Administration as contributing to the needs of small business, shall be construed to be within the prohibitions of the anti-trust laws or the Federal Trade Commission Act of the United States. A copy of the statement of any such finding and approval intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register. The authority granted in this paragraph shall be exercised only (A) by the Administrator, (B) upon the condition that the Administrator consult with the Attorney General and with the Chairman of the Federal Trade Commission, and (C) upon the condition that the Administrator obtain the approval of the Attorney General before exercising such authority. Upon withdrawal of any request or finding hereunder or upon withdrawal by the Attorney General of his approval granted under the preceding sentence, the provisions of this paragraph shall not apply to any subsequent act or omission to act by reason of such finding or request.

(7) All loans made under this subsection shall be of such sound value or so secured as reasonably to assure repayment.

¹ Sec. 103 of the Small Business Act Amendments of 1967, Public Law 90-104, approved Oct. 11, 1967, 81 Stat. 268, increased from 10 to 15 years the maturity of loans financing construction projects.

² Sec. 8, Small Business Amendments of 1974, Public Law 93-386, approved August 23, 1974, 88 Stat. 742, substituted provisions for determining the rate of interest for the Administration's share of any loan for provisions setting forth the rate of interest for the Administration's share of any loan as not more than 5½ per centum per annum in this paragraph and in paragraph (a) (5) (B).

(b) The Administration also is empowered—

(1) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate because of floods, riots or civil disorders or other catastrophies;

(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area affected by a disaster, if the Administration determines that the concern has suffered a substantial economic injury as a result of such disaster and if such disaster constitutes—

(A) a major disaster, as determined by the President under the Act entitled “An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes”, approved September 30, 1950, as amended (42 U.S.C. 1855-1855g), or

(B) a natural disaster, as determined by the Secretary of Agriculture pursuant to the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961);

(3)¹ to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a business, or in establishing a new business, if the Administration determines that such concern has suffered substantial economic injury as the result of its displacement by, or location in, adjacent to, or near, a federally aided urban renewal program or a highway project or any other construction constructed by or with funds provided in whole or in part by the Federal Government; and the purpose of a loan made pursuant to such project or program may, in the discretion of the Administration, include the purchase or construction of other premises whether or not the borrower owned the premises occupied by the business; and

(4)² to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in reestablishing its business if the Administration determines that such concern has suffered substantial economic injury as a result of the inability of such concern to process or market a product for human consumption because of disease or

¹ Sec. 31, Federal Aid Highway Act of 1968, Public Law 90-495, approved Aug. 23, 1968, 82 Stat. 815, 835 amended paragraph (3) to read as set forth in the text.

² Sec. 5, Small Business Act, amendments, Public Law 93-237, approved January 2, 1974, 87 Stat. 1023, amended paragraph (4) to read as set forth in the text.

toxicity occurring in such product through natural or undetermined causes.¹

(5)² to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized, Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided*, That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and

(6)³ to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or to re-finance the existing indebtedness of, any small business concern directly and seriously affected by the significant reduction of the scope or amount of Federal support for any project as a result of any international agreement limiting the development of strategic arms or the installation of strategic arms or strategic arms facilities, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph.

(7)⁴ to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation; and

¹ Sec. 112(d) of the Small Business Act and Small Business Investment Act of 1958, amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976, deleted the proviso in this paragraph. Prior to this amendment this proviso read as follows: "*Provided*, That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease."

² Sec. 2(a), Small Business Act, amendments, Public Law 93-237, approved January 2, 1974, 87 Stat. 1023, amended paragraph (5) to read as set forth in the text.

³ Sec. 2(b)(2), Small Business Act, amendments, Public Law 93-237, approved January 2, 1974, 87 Stat. 1023, redesignated paragraph (7) as paragraph (6).

⁴ Sec. 6, Small Business Act, amendments, Public Law 93-237, approved January 2, 1974, 87 Stat. 1023, added paragraph (7) as set forth in the text.

(8) ¹ to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern seriously and adversely affected by a shortage of fuel, electrical energy, or energy-producing resources, or by a shortage of raw or processed materials resulting from such shortages, if the Administration determines that such concern has suffered or is likely to suffer substantial economic injury without assistance under this paragraph.

No loan under this subsection, including renewals and extensions thereof, may be made for a period or periods exceeding thirty years: *Provided*, That the Administrator may consent to a suspension in the payment of principal and interest charges on, and to an extension in the maturity of, the Federal share of any loan under this subsection for a period of not to exceed five years, if (A) the borrower under such loan is a homeowner or a small-business concern, (B) the loan was made to enable (i) such homeowner to repair or replace his home, or (ii) such concern to repair or replace plant or equipment which was damaged or destroyed as the result of a disaster meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection, and (C) the Administrator determines such action is necessary to avoid severe financial hardship: *Provided further*, That the provisions of paragraph (1) of subsection (c) of this section shall not be applicable to any such loan having a maturity in excess of twenty years.

Notwithstanding ² the provisions of any other law, the interest rate on the Administration's share of any loan made under subsection (b) shall not exceed the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 percentum plus one-quarter of 1 per centum: *Provided, however*, That the interest rate for loans made under paragraphs (1) and (2) hereof shall not exceed the rate of interest which is in effect at the time of the occurrence of the disaster. In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement.

In the administration of the disaster loan program under paragraphs (1), (2), and (4) of this subsection, in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator which occurs on or after January 1, 1971, and prior to July 1, 1973, the Small Business Administration, to the extent such loss or damage or injury is not compensated for by insurance or otherwise—

(A) may make any loan for repair, rehabilitation, or replacement of property damaged or destroyed without regard to

¹ Sec. 9(a), Small Business Amendments of 1974, Public Law 93-386, approved August 23, 1974, 88 Stat. 742, added paragraph (8) as set forth in the text.

² Sec. 114 of the Small Business Act and Small Business Investment Act of 1958, amendments, Public Law 94-305, 90 Stat. 663, approved June 4, 1976, amended this paragraph by inserting a new first sentence.

whether the required financial assistance is otherwise available from private sources;

(B) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property of such property is to be repaired, rehabilitated, or replaced, except that (1) in the case of a business concern, the amount refinanced shall not exceed the amount of the physical loss sustained, and (2) in the case of a home, the amount of each monthly payment of principal and interest on the loan after refinancing under this clause shall be not less than the amount of each such payment made prior to such refinancing;

(C) may, in the case of a loan made under clause (A) or a mortgage or other lien refinanced under clause (B) in connection with the destruction of, or substantial damage to, property owned and used as a residence by an individual who by reason of retirement, disability, or other similar circumstances relies for support on survivor, disability, or retirement benefits under a pension, insurance, or other program, consent to the suspension of the payments of the principal of that loan, mortgage, or lien during the lifetime of that individual and his spouse for so long as the Administration determines that making such payments would constitute a substantial hardship;

(D) shall, notwithstanding the provisions of any other law and upon presentation by the applicant of proof of loss or damage or injury and a bona fide estimate of cost of repair, rehabilitation, or replacement, cancel the principal of any loan made to cover a loss or damage or injury resulting from such disaster, except that—

(i) with respect to a loan made in connection with a disaster occurring on or after January 1, 1971 but prior to January 1, 1972, the total amount so canceled shall not exceed \$2,500, and the interest on the balance of the loan shall be at a rate of 3 per centum per annum; and

(ii) with respect to a loan made in connection with a disaster occurring on or after January 1, 1972 but prior to July 1, 1973, the total amount so canceled shall not exceed \$5,000, and the interest on the balance of the loan shall be at a rate of 1 per centum per annum.

With respect to any loan referred to in clause (D) which is outstanding on August 16, 1972, the Administrator shall—

(i) make such change in the interest rate on the balance of such loan as is required under that clause effective as of August 16, 1972; and

(ii) in applying the limitation set forth in that clause with respect to the total amount of such loan which may be canceled, consider as part of the amount so canceled any part of such loan which was previously canceled pursuant to section 4451 of Title 42.

Whoever wrongfully misapplies the proceeds of a loan obtained under this subsection shall be civilly liable to the Administrator in an amount equal to one-and-one-half times the original principal amount of the loan.¹

¹ Sec. 6(a), Public Law 92-385, approved August 16, 1972, 86 Stat. 554, added the matter following the numbered paragraphs as set forth in the text.

(c) (1) The Administration may further extend the maturity of or renew any loan made pursuant to this section, or any loan transferred to the Administration pursuant to Reorganization Plan Numbered 2 of 1954, or Reorganization Plan Numbered 1 of 1957, for additional periods not to exceed ten years beyond the period stated therein, if such extension or renewal will aid in the orderly liquidation of such loan.

(2) During any period in which principal and interest charges are suspended on the Federal share of any loan, as provided in subsection (b) of this section, the Administrator shall, upon the request of any person, firm, or corporation having a participation in such loan, purchase such participation, or assume the obligation of the borrower, for the balance of such period, to make principal and interest payments on the non-Federal share of such loan: *Provided*, That no such payments shall be made by the Administrator in behalf of any borrower unless (i) the Administrator determines that such action is necessary in order to avoid a default, and (ii) the borrower agrees to make payments to the Administration in an aggregate amount equal to the amount paid in its behalf by the Administrator, in such manner and at such times (during or after the term of the loan) as the Administrator shall determine having due regard to the purposes sought to be achieved by this paragraph.

(d) * * *

(f) In the administration of the disaster loan program under subsection (b) (1) of this section, in the case of property loss or damage as a result of a disaster which is a "major disaster" as defined in section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), the Small Business Administration, to the extent such loss or damage is not compensated for by insurance or otherwise, may lend to a privately owned college or university without regard to whether the required financial assistance is otherwise available from private sources, and may waive interest payments and defer principal payments on such a loan for the first three years of the term of the loan.

SEC. 8. * * *

(b) It shall also be the duty of the Administration and it is empowered, whenever it determines such action is necessary—

* * * * *

(14) to provide at the earliest practicable time such information and assistance as may be appropriate, including information concerning eligibility for loans under section 7(b) (3), to local public agencies (as defined in section 110(h) of the Housing Act of 1949) and to small-business concerns to be displaced by federally aided urban renewal projects in order to assist such small-business concerns in reestablishing their operations; and

(15) to disseminate, without regard to the provisions of 39 U.S.C. 4154 data and information, in such form as it shall deem appropriate, to public agencies, private organizations, and the general public.

* * * * *

Approved July 18, 1958.

**EXCERPT FROM SMALL BUSINESS ACT AND SMALL BUSINESS
INVESTMENT ACT OF 1958, AMENDMENTS**

[Public Law 94-305, 90 Stat. 663]

To amend the Small Business Act and Small Business Investment Act of 1958 to provide additional assistance under such Acts, to create a pollution control financing program for small business, and for other purposes

* * * * *

TITLE I—SMALL BUSINESS DEVELOPMENT

TRANSFER OF DISASTER RELIEF AUTHORITY

SEC. 101. The President shall undertake a comprehensive review of all Federal disaster loan authorities and shall make a report to the Congress, not later than December 1, 1976, containing such recommendations and legislative proposals, including possible consolidation of Federal disaster loan authorities, as may be demonstrated to be necessary and appropriate to assure the most effective and efficient delivery of disaster relief. Such study shall give particular emphasis to alleviating any extraordinary burden the management of Federal disaster loan programs may impose on an agency.

* * * * *

Approved June 4, 1976.

EXCERPTS FROM HOUSING AND URBAN DEVELOPMENT ACT OF 1965

[Public Law 89-117, 79 Stat. 451, 485, 42 U.S.C. 3071]

TITLE IV—COMPENSATION OF CONDEMNNEES

DEFINITIONS

SEC. 401. Repealed.¹ For the purposes of this title—

(1) the term "development program" means any program established by or conducted under any of the following provisions of law:

- (A) the United States Housing Act of 1937;²
- (B) title I of the Housing Act of 1949;³
- (C) the Urban Mass Transportation Act of 1964;⁴
- (D) title II of the Housing Amendments of 1955;⁵
- (E) title VII of the Housing Act of 1961;⁶ and
- (F) title VII of the Housing and Urban Development Act of 1965;⁷

(2) the term "Federal assistance" means a grant, loan, contract of guaranty, annual contribution, or other assistance provided by the United States;

¹ This section repealed by sec. 306 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1907. However, this repeal is not immediately effective in all States. See Sec. 221 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

² Low-rent public housing.

³ Urban renewal.

⁴ Mass transportation.

⁵ Public facility loans.

⁶ Open space land and urban beautification.

⁷ Public facilities and neighborhood grants.

(3) the term "applicant" means any public body or other agency authorized to receive Federal assistance under a development program;

(4) the term "real property" means any land, or any interest in land, and (A) any building, structure, or other improvements embedded in or affixed to land, and any article so affixed or attached to such building, structure, or improvement as to be an essential or integral part thereof; (B) any article affixed or attached to such real property in such manner that it cannot be removed without material injury to itself or the real property; and (C) any article so designed, constructed, or specially adapted to the purpose for which such real property is used that (i) it is an essential accessory or part of such real property, (ii) it is not capable of use elsewhere, and (iii) it would lose substantially all its value if removed from the real property; and

(5) the term "Secretary" means the Secretary of Housing and Urban Development.¹

LAND ACQUISITION POLICY

SEC. 402. Repealed.² As a condition of eligibility for Federal assistance pursuant to a development program, each applicant for such assistance shall satisfy the Secretary that the following policies will be followed in connection with the acquisition of real property by eminent domain in the course of such program—

(1) the applicant shall make every reasonable effort to acquire the real property by negotiated purchase;

(2) no owner shall be required to surrender possession of real property before the applicant pays to the owner (A) the agreed purchase price arrived at by negotiation, or (B) in any case where only the amount of the payment to the owner is in dispute, not less than 75 per centum of the appraised fair value of such property as approved by the applicant; and

(3) the construction or development of any public improvements shall be so scheduled that no person lawfully occupying the real property shall be required to surrender possession on account of such construction or development without at least 90 days' written notice from the applicant of the date on which such construction or development is scheduled to begin.

FUNDS FOR CERTAIN PAYMENTS IN EMINENT DOMAIN

SEC. 403. Repealed.³ Notwithstanding any other provision of law, financial assistance under any federally assisted development program may include amounts necessary for financing, in the same manner that other costs of a project assisted under such program are financed, the payments described in paragraph (2) (B) of section 402 of this Act.

¹ See Reorganization Plan No. 2 of 1968, which transferred functions relating to mass transportation to the Secretary of Transportation.

² This section repealed by sec. 306 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1907. However, this repeal is not immediately effective in all States. See sec. 221 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

³ This section repealed by sec. 220(a) (8) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1903. However, this repeal is not immediately effective in all States. See sec. 221 of this Act.

RELOCATION PAYMENTS UNDER FEDERALLY ASSISTED DEVELOPMENT PROGRAMS

SEC. 404. Repealed.¹ (a) To the extent not otherwise authorized under any Federal law, financial assistance extended to an applicant under any federally assisted development program may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance under such federally assisted development programs, and may cover the full amount of such relocation payments. Any funds available for any such program may be used for such grants. The term "relocation payments" means payments by the applicant, to a displaced individual, family, business concern, or nonprofit organization, which are made on such terms and conditions and subject to such limitations (to the extent applicable, but not including the date of displacement) as are provided for relocation payments, at the time such payments are approved, by sections 114 (b), (c), and (d) of the Housing Act of 1949 with respect to projects assisted under title I thereof. Relocation payments authorized by this subsection shall be made subject to such rules and regulations as may be prescribed by the Secretary.

* * * * *

Approved August 10, 1965.

EXCERPTS FROM DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966

[Public Law 89-754, 80 Stat. 1255, 1290; 42 U.S.C. 3374]

ACQUISITION OF CERTAIN PROPERTIES SITUATED AT OR NEAR MILITARY BASES WHICH HAVE BEEN ORDERED TO BE CLOSED

SEC. 1013. (a) Notwithstanding any other provision of law, the Secretary of Defense is² authorized to acquire title to, hold, manage, and dispose of, or, in lieu thereof, to reimburse for certain losses upon private sale of, or foreclosure against, any property improved with a one- or two-family dwelling which is situated at or near a military base or installation which the Department of Defense has, subsequent to November 1, 1964, ordered to be closed in whole or in part, if he determines—

(1) that the owner of such property is, or has been, a Federal employee employed at or in connection with such base or installation (other than a temporary employee serving under a time limitation) or a serviceman assigned thereto;

(2) that the closing of such base or installation, in whole or in part, has required or will require the termination of such owner's employment or service at or in connection with such base or installation; and

¹ This section repealed by sec. 220(a)(8) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, approved January 2, 1971, 84 Stat. 1894, 1903. However, this repeal is not immediately effective in all States. See sec. 221 of this Act.

² Pursuant to an agreement between the Assistant Secretary of Defense (Installations and Logistics) and the Secretary of HUD, the latter has delegated to the Federal Housing Commissioner the authority with respect to acquired properties to acquire title to, hold, manage, sell and execute deeds of conveyance and all other instruments necessary to fulfill the purposes of section 1013.

(3) that as the result of the actual or pending closing of such base or installation, in whole or in part, there is no present market for the sale of such property upon reasonable terms and conditions.

(b) In order to be eligible for the benefits of this section such employees or military personnel must be or have been—

(1) assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action,

(2) transferred from such installation or activity, or terminated as employees as a result of reduction-in-force, within six months prior to public announcement of the closure action, or

(3) transferred from the installation or activity on an overseas tour unaccompanied by dependents within fifteen months prior to public announcement of the closure action:

Provided, That, at the time of public announcement of the closure action, or at the time of transfer or termination as set forth above, such personnel or employees must—

(i) have been the owner-occupant of the dwelling, or

(ii) have vacated the owned dwelling as a result of being ordered into on-post housing during a six-month period prior to the closure announcement:

Provided further, That as a consequence of such closure such employees or personnel must—

(i) be required to relocate because of military transfer or acceptance of employment beyond a normal commuting distance from the dwelling for which compensation is sought, or

(ii) be unemployed, not as a matter of personal choice, and able to demonstrate such financial hardship that they are unable to meet their mortgage payments and related expenses.

(c) Such persons as the Secretary of Defense may determine to be eligible under the criteria set forth above shall elect either (1) to receive a cash payment as compensation for losses which may be or have been sustained in a private sale, in an amount not to exceed the difference between (A) 95 per centum of the fair market value of their property (as such value is determined by the Secretary of Defense) prior to public announcement of intention to close all or part of the military base or installation and (B) the fair market value of such property (as such value is so determined) at the time of the sale, or (2) to receive, as purchase price for their property, an amount not to exceed 90 per centum of prior fair market value as such value is determined by the Secretary of Defense, or the amount of the outstanding mortgages. Cash payment as compensation for losses sustained in a private sale shall not be made in any case in which the property is encumbered by a mortgage loan guaranteed, insured, or held by a Federal agency unless such mortgage loan is paid, assumed by a purchaser satisfactory to such Federal agency, or otherwise fully satisfied at or prior to the time such cash payment is made. Except in cases of payment as compensation for losses, in the event of foreclosure by mortgagees commenced on or after public announcement of intention to close all or part of the military base or installation,¹ the Secretary of Defense may reimburse or pay on account of eligible per-

¹ Sec. 602(a), Military Construction Authorization Act, 1970, Public Law 91-142, approved December 5, 1969, 83 Stat. 293, 313, deleted at this point the words "and prior to the one hundred and twentieth day after the enactment of this act."

sons such sums as may be paid or be otherwise due and owing by such persons as the result of such foreclosure, including (without limiting the generality of the foregoing) direct costs of judicial foreclosure, expenses and liabilities enforceable according to the terms of their mortgages or promissory notes, and the amount of debts, if any, established against such persons by a Federal agency in the case of loans made, guaranteed, or insured by such agency following liquidation of the security for such loans.

(d) There shall be in the Treasury a fund ¹ which shall be available to the Secretary of Defense for the purpose of extending the financial assistance provided above. The capital of such fund shall consist of such sums as may, from time to time, be appropriated thereto, and shall consist also of receipts from the management, rental, or sale of properties acquired under this section, which receipts shall be credited to the fund and shall be available, together with funds appropriated therefor, for purchase or reimbursement purposes as provided above, as well as to defray expenses arising in connection with the acquisition, management, and disposal of such properties, including payment of principal, interest, and expenses of mortgages or other indebtedness thereon, and including the cost of staff services and contract services, costs of insurance, and other indemnity. Any part of such receipts not required for such expenses shall be covered into the Treasury as miscellaneous receipts. Properties acquired under this section shall be conveyed to, and acquired in the name of, the United States. The Secretary of Defense shall have the power to deal with, rent, renovate, and dispose of, whether by sales for cash or credit or otherwise, any properties so acquired: *Provided, however*, That no contract for acquisition, or acquisition, shall be deemed to constitute a contract for or acquisition of family housing units in support of military installations or activities within the meaning of section 406 (a) of the Act of August 30, 1957 (42 U.S.C. 1594i), nor shall it be deemed a transaction within the contemplation of section 2662 of title 10, United States Code: *Provided further*,² That no properties in foreign countries shall be acquired under this section.

(e) Payments from the fund created by this section may be made in lieu of taxes to any State or political subdivision thereof, with respect to real property, including improvements thereon, acquired and held under this section. The amount so paid for any year upon such property shall not exceed the taxes which would be paid to the State or subdivision, as the case may be, upon such property if it were not exempt from taxation, and shall reflect such allowance as may be considered appropriate for expenditures, if any, by the Government for streets, utilities, or other public services to serve such property.

(f) The title to any property acquired under this section, the eligibility for, and the amounts of, cash payable, and the administration of the preceding provisions of this section, shall conform to such requirements, and shall be administered under such conditions and regulations, as the Secretary of Defense may prescribe. Such regu-

¹ The Military Construction Appropriation Act, 1968, Public Law 90-108, approved December 8, 1967, 81 Stat. 550, 552, appropriated \$20 million to the Homeowners Assistance Fund established pursuant to this authority.

The Military Construction Appropriation Act, 1969, Public Law 90-513, approved Sept. 26, 1968, 82 Stat. 864, 866, appropriated \$6,200,000 for the purposes of sec. 1013.

² Sec. 602(b), Military Construction Authorization Act, 1970, Public Law 91-142, approved December 5, 1969, 83 Stat. 293, 313, added this proviso.

lations shall also prescribe the terms and conditions under which payments may be made and instruments accepted under this section, and all the determinations and decisions made pursuant to such regulations by the Secretary of Defense regarding such payments and conveyances and the terms and conditions under which they are approved or disapproved, shall be final and conclusive and shall not be subject to judicial review.

(g) The Secretary of Defense is authorized to enter into such agreement with the Secretary of Housing and Urban Development as may be appropriate for the purposes of economy and efficiency of administration of this section. Such agreement may provide authority to the Secretary of Housing and Urban Development and his designee to make any or all of the determinations and take any or all of the actions which the Secretary of Defense is authorized to undertake pursuant to the preceding provisions of this section. Any such determinations shall be entitled to finality to the same extent as if made by the Secretary of Defense, and in event the Secretaries of Defense and Housing and Urban Development so elect, the fund established pursuant to subsection (d) of this section shall be available to the Secretary of Housing and Urban Development to carry out the purposes thereof.

(h)¹ * * * * *

(i) No funds may be appropriated for the acquisition of any property under authority of this section unless such funds have been specifically authorized for such purpose in a military construction authorization act, and no moneys in the fund created pursuant to subsection (d) of this section may be expended for any purpose except as may be provided in appropriation Acts.

* * * * *

Approved November 3, 1966.

EXCERPT FROM URBAN MASS TRANSPORTATION ACT OF 1964

[Public Law 88-365, 78 Stat. 302; 49 U.S.C. 1601]

RELOCATION REQUIREMENTS AND PAYMENTS

SEC. 7. (a) No financial assistance shall be extended to any project under section 3 unless the Secretary determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable

¹ Subsec. (h) amended sec. 223(a)(8), National Housing Act, and is therefore not reprinted here.

and necessary moving expenses and any actual direct losses of property, except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Secretary, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

CIVIL RIGHTS

EXCERPTS FROM CIVIL RIGHTS ACT OF 1964

[Public Law 88-352, 78 Stat. 241, 42 U.S.C. 2000a]

AN ACT To enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Act of 1964."

* * * * *

TITLE II—INJUNCTIVE RELIEF AGAINST DISCRIMINATION IN PLACES OF PUBLIC ACCOMMODATION

SEC. 201. (a) All persons shall be entitled to the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, as defined in this section, without discrimination or segregation on the ground of race, color, religion, or national origin.

(b) Each of the following establishments which serves the public is a place of public accommodation within the meaning of this title if its operations affect commerce, or if discrimination or segregation by it is supported by State action:

(1) any inn, hotel, motel, or other establishment which provides lodging to transient guests, other than an establishment located within a building which contains not more than five rooms for rent or hire and which is actually occupied by the proprietor of such establishment as his residence;

(2) any restaurant, cafeteria, lunchroom, lunch counter, soda fountain, or other facility principally engaged in selling food for consumption on the premises, including, but not limited to, any such facility located on the premises of any retail establishment; or any gasoline station;

(3) any motion picture house, theater, concert hall, sports arena, stadium or other place of exhibition or entertainment; and

(4) any establishment (A) (i) which is physically located within the premises of any establishment otherwise covered by this subsection, or (ii) within the premises of which is physically located any such covered establishment, and (B) which holds itself out as serving patrons of such covered establishment.

(c) The operations of an establishment affect commerce within the meaning of this title if (1) it is one of the establishments described

in paragraph (1) of subsection (b); (2) in the case of an establishment described in paragraph (2) of subsection (b), it serves or offers to serve interstate travelers or a substantial portion of the food which it serves, or gasoline or other products which it sells, has moved in commerce; (3) in the case of an establishment described in paragraph (3) of subsection (b), it customarily presents films, performances, athletic teams, exhibitions, or other sources of entertainment which move in commerce; and (4) in the case of an establishment described in paragraph (4) of subsection (b), it is physically located within the premises of, or there is physically located within its premises, an establishment the operations of which affect commerce within the meaning of this subsection. For purposes of this section, "commerce" means travel, trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia and any State, or between any foreign country or any territory or possession and any State or the District of Columbia, or between points in the same State but through any other State or the District of Columbia or a foreign country.

(d) Discrimination or segregation by an establishment is supported by State action within the meaning of this title if such discrimination or segregation (1) is carried on under color of any law, statute, ordinance, or regulation; or (2) is carried on under color of any custom or usage required or enforced by officials of the State or political subdivision thereof; or (3) is required by action of the State or political subdivision thereof.

(e) The provisions of this title shall not apply to a private club or other establishment not in fact open to the public, except to the extent that the facilities of such establishment are made available to the customers or patrons of an establishment within the scope of subsection (b).

SEC. 202. All persons shall be entitled to be free, at any establishment or place, from discrimination or segregation of any kind on the ground of race, color, religion, or national origin, if such discrimination or segregation is or purports to be required by any law, statute, ordinance, regulation, rule, or order of a State or any agency or political subdivision thereof.

SEC. 203. No person shall (a) withhold, deny, or attempt to withhold or deny, or deprive or attempt to deprive, any person of any right or privilege secured by section 201 or 202, or (b) intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person with the purpose of interfering with any right or privilege secured by section 201 or 202, or (c) punish or attempt to punish any person for exercising or attempting to exercise any right or privilege secured by section 201 or 202.

SEC. 204. (a) Whenever any person has engaged or there are reasonable grounds to believe that any person is about to engage in any act or practice prohibited by section 203, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order, may be instituted by the person aggrieved and, upon timely application, the court may, in its discretion, permit the Attorney General to intervene in such civil action if he certifies that the case is of general public importance.

Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the civil action without the payment of fees, costs, or security.

(b) In any action commenced pursuant to this title, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs, and the United States shall be liable for costs the same as a private person.

(c) In the case of an alleged act or practice prohibited by this title which occurs in a State, or political subdivision of a State, which has a State or local law prohibiting such act or practice and establishing or authorizing a State or local authority to grant or seek relief from such practice or to institute criminal proceedings with respect thereto upon receiving notice thereof, no civil action may be brought under subsection (a) before the expiration of thirty days after written notice of such alleged act or practice has been given to the appropriate State or local authority by registered mail or in person, provided that the court may stay proceedings in such civil action pending the termination of State or local enforcement proceedings.

(d) In the case of an alleged act or practice prohibited by this title which occurs in a State, or political subdivision of a State, which has no State or local law prohibiting such act or practice, a civil action may be brought under subsection (a): *Provided*, That the court may refer the matter to the Community Relations Service established by title X of this Act for as long as the court believes there is a reasonable possibility of obtaining voluntary compliance, but for not more than sixty days: *Provided further*, That upon expiration of such sixty-day period, the court may extend such period for an additional period, not to exceed a cumulative total of one hundred and twenty days, if it believes there then exists reasonable possibility of securing voluntary compliance.

SEC. 205. The Service is authorized to make a full investigation of any complaint referred to it by the court under section 204(d) and may hold such hearings with respect thereto as may be necessary. The Service shall conduct any hearings with respect to any such complaint in executive session, and shall not release any testimony given therein except by agreement of all parties involved in the complaint with the permission of the court, and the Service shall endeavor to bring about a voluntary settlement between the parties.

SEC. 206. (a) Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights secured by this title, and that the pattern or practice is of such a nature and is intended to deny the full exercise of the rights herein described, the Attorney General may bring a civil action in the appropriate district court of the United States by filing with it a complaint (1) signed by him (or in his absence the Acting Attorney General), (2) setting forth facts pertaining to such pattern or practice, and (3) requesting such preventive relief, including an application for a permanent or temporary injunction, restraining order or other order against the person or persons responsible for such pattern or practice, as he deems necessary to insure the full enjoyment of the rights herein described.

(b) In any such proceeding the Attorney General may file with the clerk of such court a request that a court of three judges be convened to hear and determine the case. Such request by the Attorney General shall be accompanied by a certificate that, in his opinion, the case is of general public importance. A copy of the certificate and request for a three-judge court shall be immediately furnished by such clerk to the chief judge of the circuit (or in his absence, the presiding circuit judge of the circuit) in which the case is pending. Upon receipt of the copy of such request it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge and another of whom shall be a district judge of the court in which the proceeding was instituted, to hear and determine such case, and it shall be the duty of the judges so designated to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited. An appeal from the final judgment of such court will lie to the Supreme Court.

In the event the Attorney General fails to file such a request in any such proceeding, it shall be the duty of the chief judge of the district (or in his absence, the acting chief judge) in which the case is pending immediately to designate a judge in such district to hear and determine the case. In the event that no judge in the district is available to hear and determine the case, the chief judge of the district, or the acting chief judge, as the case may be, shall certify this fact to the chief judge of the circuit (or in his absence, the acting chief judge) who shall then designate a district or circuit judge of the circuit to hear and determine the case.

It shall be the duty of the judge designated pursuant to this section to assign the case for hearing at the earliest practicable date and to cause the case to be in every way expedited.

SEC. 207. (a) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this title and shall exercise the same without regard to whether the aggrieved party shall have exhausted any administrative or other remedies that may be provided by law.

(b) The remedies provided in this title shall be the exclusive means of enforcing the rights based on this title, but nothing in this title shall preclude any individual or any State or local agency from asserting any right based on any other Federal or State law not inconsistent with this title, including any statute or ordinance requiring nondiscrimination in public establishments or accommodations, or from pursuing any remedy, civil or criminal, which may be available for the vindication or enforcement of such right.

TITLE III—DESEGREGATION OF PUBLIC FACILITIES

SEC. 301. (a) Whenever the Attorney General receives a complaint in writing signed by an individual to the effect that he is being deprived of or threatened with the loss of his right to the equal protection of the laws, on account of his race, color, religion or national

origin, by being denied equal utilization of any public facility which is owned, operated, or managed by or on behalf of any State or subdivision thereof, other than a public school or public college as defined in section 401 of title IV hereof, and the Attorney General believes the complaint is meritorious and certifies that the signer or signers of such complaint are unable, in his judgment, to initiate and maintain appropriate legal proceedings for relief and that the institution of an action will materially further the orderly progress of desegregation in public facilities, the Attorney General is authorized to institute for or in the name of the United States a civil action in any appropriate district court of the United States against such parties and for such relief as may be appropriate, and such court shall have and shall exercise jurisdiction of proceedings instituted pursuant to this section. The Attorney General may implead as defendants such additional parties as are or become necessary to the grant of effective relief hereunder.

(b) The Attorney General may deem a person or persons unable to initiate and maintain appropriate legal proceedings within the meaning of subsection (a) of this section when such person or persons are unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; or whenever he is satisfied that the institution of such litigation would jeopardize the personal safety, employment, or economic standing of such person or persons, their families, or their property.

SEC. 302. In any action or proceeding under this title the United States shall be liable for costs, including a reasonable attorney's fee, the same as a private person.

SEC. 303. Nothing in this title shall affect adversely the right of any person to sue for or obtain relief in any court against discrimination in any facility covered by this title.

SEC. 304. A complaint as used in this title is a writing or document within the meaning of section 1001, title 18, United States Code.

* * * * *

TITLE VI—NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

SEC. 601. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

SEC. 602. Each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 601 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted

pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and, shall be limited in its effect to the particular program, or part thereof, in which such non-compliance has been so found, or (2) by any other means authorized by law: *Provided, however,* That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means. In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

SEC. 603. Any department or agency action taken pursuant to section 602 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 602, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with section 10 of the Administrative Procedure Act, and such action shall not be deemed committed to unreviewable agency discretion within the meaning of that section.

SEC. 604. Nothing contained in this title shall be construed to authorize action under this title by any department or agency with respect to any employment practice of any employer, employment agency, or labor organization except where a primary objective of the Federal financial assistance is to provide employment.

SEC. 605. Nothing in this title shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

* * * * *

TITLE XI—MISCELLANEOUS

SEC. 1101. In any proceeding for criminal contempt arising under title II, III, IV, V, VI, or VII of this Act, the accused, upon demand therefor, shall be entitled to a trial by jury, which shall conform as near as may be to the practice in criminal cases. Upon conviction, the accused shall not be fined more than \$1,000 or imprisoned for more than six months.

This section shall not apply to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to the misbehavior, misconduct, or disobedience of any officer of the court in respect to writs, orders, or process of the court. No person shall be convicted of criminal contempt hereunder unless the act or omission constituting such contempt shall have been intentional, as required in other cases of criminal contempt.

Nor shall anything herein be construed to deprive courts of their power, by civil contempt proceedings, without a jury, to secure compliance with or to prevent obstruction of, as distinguished from punishment for violations of, any lawful writ, process, order, rule, decree, or command of the court in accordance with the prevailing usages of law and equity, including the power of detention.

SEC. 1102. No person should be put twice in jeopardy under the laws of the United States for the same act or omission. For this reason, an acquittal or conviction in a prosecution for a specific crime under the laws of the United States shall bar a proceeding for criminal contempt, which is based upon the same act or omission and which arises under the provisions of this Act; and an acquittal or conviction in a proceeding for criminal contempt, which arises under the provisions of this Act, shall bar a prosecution for a specific crime under the laws of the United States based upon the same act or omission.

SEC. 1103. Nothing in this Act shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or of the United States or any agency or officer thereof under existing law to institute or intervene in any action or proceeding.

SEC. 1104. Nothing contained in any title of this Act shall be construed as indicating an intent on the part of Congress to occupy the field in which any such title operates to the exclusion of State laws on the same subject matter, nor shall any provision of this Act be construed as invalidating any provision of State law unless such provision is inconsistent with any of the purposes of this Act, or any provision thereof.

SEC. 1105. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

SEC. 1106. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

Approved July 2, 1964.

EQUAL EMPLOYMENT OPPORTUNITY IN THE FEDERAL GOVERNMENT

Executive Order 11478

[34 Fed. Reg. 12985]

It has long been the policy of the United States Government to provide equal opportunity in Federal employment on the basis of merit and fitness and without discrimination because of race, color, religion, sex, or national origin. All recent Presidents have fully supported this

policy, and have directed department and agency heads to adopt measures to make it a reality.

As a result, much has been accomplished through positive agency programs to assure equality of opportunity. Additional steps, however, are called for in order to strengthen and assure fully equal employment opportunity in the Federal Government.

Now, therefore, under and by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

SECTION 1. It is the policy of the Government of the United States to provide equal opportunity in Federal employment for all persons, to prohibit discrimination in employment because of race, color, religion, sex, or national origin, and to promote the full realization of equal employment opportunity through a continuing affirmative program in each executive department and agency. This policy of equal opportunity applies to and must be an integral part of every aspect of personnel policy and practice in the employment, development, advancement, and treatment of civilian employees of the Federal Government.

SEC. 2. The head of each executive department and agency shall establish and maintain an affirmative program of equal employment opportunity for all civilian employees and applicants for employment within his jurisdiction in accordance with the policy set forth in section 1. It is the responsibility of each department and agency head, to the maximum extent possible, to provide sufficient resources to administer such a program in a positive and effective manner; assure that recruitment activities reach all sources of job candidates; utilize to the fullest extent the present skills of each employee; provide the maximum feasible opportunity to employees to enhance their skills so they may perform at their highest potential and advance in accordance with their abilities; provide training and advice to managers and supervisors to assure their understanding and implementation of the policy expressed in this Order; assure participation at the local level with other employers, schools, and public or private groups in cooperative efforts to improve community conditions which affect employability; and provide for a system within the department or agency for periodically evaluating the effectiveness with which the policy of this Order is being carried out.

SEC. 3. The Civil Service Commission shall provide leadership and guidance to departments and agencies in the conduct of equal employment opportunity programs for the civilian employees of and applicants for employment within the executive departments and agencies in order to assure that personnel operations in Government departments and agencies carry out the objective of equal opportunity for all persons. The Commission shall review and evaluate agency program operations periodically, obtain such reports from departments and agencies as it deems necessary, and report to the President as appropriate on overall progress. The Commission will consult from time to time with such individuals, groups, or organizations as may be of assistance in improving the Federal program and realizing the objectives of this Order.

SEC. 4. The Civil Service Commission shall provide for the prompt, fair, and impartial consideration of all complaints of discrimination

in Federal employment on the basis of race, color, religion, sex or national origin. Agency systems shall provide access to counseling for employees who feel aggrieved and shall encourage the resolution of employee problems on an informal basis. Procedures for the consideration of complaints shall include at least one impartial review within the executive department or agency and shall provide for appeal to the Civil Service Commission.

SEC. 5. The Civil Service Commission shall issue such regulations, orders, and instructions as it deems necessary and appropriate to carry out this Order and assure that the executive branch of the Government leads the way as an equal opportunity employer, and the head of each executive department and agency shall comply with the regulations, orders, and instructions issued by the Commission under this Order.

SEC. 6. This Order applies (a) to military departments as defined in section 102 of title 5, United States Code, and executive agencies (other than the General Accounting Office) as defined in section 105, of title 5, United States Code, and to the employees thereof (including employees paid from nonappropriated funds), and (b) to those portions of the legislative and judicial branches of the Federal Government and of the Government of the District of Columbia having positions in the competitive service and to the employees in those positions. This Order does not apply to aliens employed outside the limits of the United States.

SEC. 7. Part I of Executive Order No. 11246 of September 24, 1965, and those parts of Executive Order No. 11375 of October 13, 1967, which apply to Federal employment, are hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, August 8, 1969.

COORDINATION OF FEDERAL EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS

Executive Order 12067

CIVIL RIGHTS

[43 Fed. Reg. 28967]

PROVIDING FOR COORDINATION OF FEDERAL EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS

By virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, including Section 9 of Reorganization Plan Number 1 of 1978 (43 FR 19807), it is ordered as follows:

1-1. *Implementation of Reorganization Plan.*

1-101. The transfer to the Equal Employment Opportunity Commission of all the functions of the Equal Employment Opportunity Coordinating Council, and the termination of that Council, as provided by Section 6 of Reorganization Plan Number 1 of 1978 (43 FR 19807), shall be effective on July 1, 1978.

1-2. *Responsibilities of Equal Employment Opportunity Commission.*

1-201. The Equal Employment Opportunity Commission shall pro-

CIVIL RIGHTS

vide leadership and coordination to the efforts of Federal departments and agencies to enforce all Federal statutes, Executive orders, regulations, and policies which require equal employment opportunity without regard to race, color, religion, sex, national origin, age or handicap. It shall strive to maximize effort, promote efficiency, and eliminate conflict, competition, duplication and inconsistency among the operations, functions and jurisdictions of the Federal departments and agencies having responsibility for enforcing such statutes, Executive orders, regulations and policies.

1-202. In carrying out its functions under this order the Equal Employment Opportunity Commission shall consult with and utilize the special expertise of Federal departments and agencies with equal employment opportunity responsibilities. The Equal Employment Opportunity Commission shall cooperate with such departments and agencies in the discharge of their equal employment responsibilities.

1-203. All Federal departments and agencies shall cooperate with and assist the Equal Employment Opportunity Commission in the performance of its functions under this order and shall furnish the Commission such reports and information as it may request.

1-3. *Specific Responsibilities.*

1-301. To implement its responsibilities under Section 1-2, the Equal Employment Opportunity Commission shall, where feasible:

(a) develop uniform standards, guidelines, and policies defining the nature of employment discrimination on the ground of race, color, religion, sex, national origin, age or handicap under all Federal statutes, Executive orders, regulations, and policies which require equal employment opportunity;

(b) develop uniform standards and procedures for investigations and compliance reviews to be conducted by Federal departments and agencies under any Federal statute, Executive order, regulation or policy requiring equal employment opportunity;

(c) develop procedures with the affected agencies, including the use of memoranda of understanding, to minimize duplicative investigations or compliance reviews of particular employers or classes of employers or others covered by Federal statutes, Executive orders, regulations or policies requiring equal employment opportunity;

(d) insure that Federal departments and agencies develop their own standards and procedures for undertaking enforcement actions when compliance with equal employment opportunity requirements of any Federal statute, Executive order, regulation or policy cannot be secured by voluntary means;

(e) develop uniform record-keeping and reporting requirements concerning employment practices to be utilized by all Federal departments and agencies having equal employment enforcement responsibilities;

(f) provide for the sharing of compliance records, findings, and supporting documentation among Federal departments and agencies responsible for insuring equal employment opportunity;

(g) develop uniform training programs for the staff of Federal departments and agencies with equal employment opportunity responsibilities;

(h) assist all Federal departments and agencies with equal employment opportunity responsibilities in developing programs to provide appropriate publications and other information for those covered and

CIVIL RIGHTS

those protected by Federal equal employment opportunity statutes, Executive orders, regulations, and policies; and

(i) initiate cooperative programs, including the development of memoranda of understanding between agencies, designed to improve the coordination of equal employment opportunity compliance and enforcement.

1-302. The Equal Employment Opportunity Commission shall assist the Civil Service Commission, or its successor, in establishing uniform job-related qualifications and requirements for job classifications and descriptions for Federal employees involved in enforcing all Federal equal employment opportunity provisions.

1-303. The Equal Employment Opportunity Commission shall issue such rules, regulations, policies, procedures or orders as it deems necessary to carry out its responsibilities under this order. It shall advise and offer to consult with the affected Federal departments and agencies during the development of any proposed rules, regulations, policies, procedures or orders and shall formally submit such proposed issuances to affected departments and agencies at least 15 working days prior to public announcement. The Equal Employment Opportunity Commission shall use its best efforts to reach agreement with the agencies on matters in dispute. Departments and agencies shall comply with all final rules, regulations, policies, procedures or orders of the Equal Employment Opportunity Commission.

1-304. All Federal departments and agencies shall advise and offer to consult with the Equal Employment Opportunity Commission during the development of any proposed rules, regulations, policies, procedures or orders concerning equal employment opportunity. Departments and agencies shall formally submit such proposed issuances to the Equal Employment Opportunity Commission and other interested Federal departments and agencies at least 15 working days prior to public announcement. The Equal Employment Opportunity Commission shall review such proposed rules, regulations, policies, procedures or orders to insure consistency among the operations of the various Federal departments and agencies. Issuances related to internal management and administration are exempt from this clearance process. Case handling procedures unique to a single program also are exempt, although the Equal Employment Opportunity Commission may review such procedures in order to assure maximum consistency within the Federal equal employment opportunity program.

1-305. Before promulgating significant rules, regulations, policies, procedures or orders involving equal employment opportunity, the Commission and affected departments and agencies shall afford the public an opportunity to comment.

1-306. The Equal Employment Opportunity Commission may make recommendations concerning staff size and resource needs of the Federal departments and agencies having equal employment opportunity responsibilities to the Office of Management and Budget.

1-307. (a) It is the intent of this order that disputes between or among agencies concerning matters covered by this order shall be resolved through good faith efforts of the affected agencies to reach mutual agreement. Use of the dispute resolution mechanism contained in Subsections (b) and (c) of this Section should be resorted to only in extraordinary circumstances.

(b) Whenever a dispute which cannot be resolved through good

faith efforts arises between the Equal Employment Opportunity Commission and another Federal department or agency concerning the issuance of an equal employment opportunity rule, regulation, policy, procedure, order or any matter covered by this Order, the Chairman of the Equal Employment Opportunity Commission or the head of the affected department or agency may refer the matter to the Executive Office of the President. Such reference must be in writing and may not be made later than 15 working days following receipt of the initiating agency's notice of intent publicly to announce an equal employment opportunity rule, regulation, policy, procedure or order. If no reference is made within the 15-day period, the decision of the agency which initiated the proposed issuance will become effective.

(c) Following reference of a disputed matter to the Executive Office of the President, the Assistant to the President for Domestic Affairs and Policy (or such other official as the President may designate) shall designate an official within the Executive Office of the President to meet with the affected agencies to resolve the dispute within a reasonable time.

1-4. *Annual Report.*

1-401. The Equal Employment Opportunity Commission shall include in the annual report transmitted to the President and the Congress pursuant to Section 715 of Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e-14), a statement of the progress that has been made in achieving the purpose of this order. The Equal Employment Opportunity Commission shall provide Federal departments and agencies an opportunity to comment on the report prior to formal submission.

1-5. *General Provisions.*

1-501. Nothing in this order shall relieve or lessen the responsibilities or obligations imposed upon any person or entity by Federal equal employment law, Executive order, regulation or policy.

1-502. Nothing in this order shall limit the Attorney General's role as legal adviser to the Executive Branch.

JIMMY CARTER.

THE WHITE HOUSE, *June 30, 1978.*

EQUAL EMPLOYMENT OPPORTUNITY

Executive Order 11246¹

[30 F.R. 12319-25]

PART II—NONDISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—DUTIES OF THE SECRETARY OF LABOR

SEC. 201. The Secretary of Labor shall be responsible for the administration and enforcement of Parts II and III of this Order. The Secretary shall adopt such rules and regulations and issue such orders as are deemed necessary and appropriate to achieve the purposes of Parts II and III of this Order.

¹ As amended by Executive Order 12086 [43 Fed. Reg. 46501], October 5, 1978 (Consolidation of Contract Compliance Functions for Equal Employment Opportunity).

SUBPART B—CONTRACTORS' AGREEMENT

SEC. 202. Except in contracts exempted in accordance with Section 204 of this Order, all Government contracting agencies shall include in every Government contract hereafter entered into the following provisions:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractors' commitment under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigating to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

SEC. 203. (a) Each contractor having a contract containing the provisions prescribed in Section 202 shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: *Provided,* That to the extent such information is within the exclusive possession of a labor union or an agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the contractor, the contractor shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement, in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event

that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.

SEC. 204. The Secretary of Labor may, when he deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including any or all of the provisions of Section 202 of this Order in any specific contract, subcontract, or purchase order. The Secretary of Labor may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (1) whenever work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (2) for standard commercial supplies or raw materials; (3) involving less than specified amounts of money or specified numbers of workers; or (4) to the extent that they involve subcontracts below a specified tier. The Secretary of Labor may also provide, by rule, regulation, or order, for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the contract: *Provided*, That such an exemption will not interfere with or impede the effectuation of the purposes of this Order: *And provided further*, That in the absence of such an exemption all facilities shall be covered by the provisions of this Order.

SUBPART C—POWERS AND DUTIES OF THE SECRETARY OF LABOR AND THE CONTRACTING AGENCIES

SEC. 205. The Secretary of Labor shall be responsible for securing compliance by all Government contractors and subcontractors with this Order and any implementing rules or regulations. All contracting agencies shall comply with the terms of this Order and any implementing rules, regulations, or orders of the Secretary of Labor. Contracting agencies shall cooperate with the Secretary of Labor and shall furnish such information and assistance as the Secretary may require.

SEC. 206. (a) The Secretary of Labor may investigate the employment practices of any Government contractor or subcontractor to determine whether or not the contractual provisions specified in Section 202 of this Order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Secretary of Labor.

(b) The Secretary of Labor may receive and investigate complaints by employees or prospective employees of a Government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in Section 202 of this Order.

SEC. 207. The Secretary of Labor shall use his best efforts, directly and through interested Federal, State, and local agencies, contractors, and all other available instrumentalities to cause any labor union engaged in work under Government contracts or any agency referring workers or providing or supervising apprenticeship or training for or in the course of such work to cooperate in the implementation of the purposes of this Order. The Secretary of Labor shall, in appropriate cases, notify the Equal Employment Opportunity Commission, the Department of Justice, or other appropriate Federal agencies when-

ever it has reason to believe that the practices of any such labor organization or agency violate Title VI or Title VII of the Civil Rights Act of 1964 or other provision of Federal law.

SEC. 208. (a) The Secretary of Labor, or any agency, officer, or employee in the executive branch of the Government designated by rule, regulation, or order of the Secretary, may hold such hearings, public or private, as the Secretary may deem advisable for compliance, enforcement, or educational purposes.

(b) The Secretary of Labor may hold, or cause to be held, hearings in accordance with Subsection (a) of this Section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. No order for debarment of any contractor from further Government contracts under Section 209(a)(6) shall be made without affording the contractor an opportunity for a hearing.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 209. (a) In accordance with such rules, regulations, or orders as the Secretary of Labor may issue or adopt, the Secretary may:

(1) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this Order or of the rules, regulations, and orders of the Secretary of Labor.

(2) Recommend to the Department of Justice that, in cases in which there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in Section 202 of this Order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals, or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the provisions of this Order.

(3) Recommend to the Equal Employment Opportunity Commission or the Department of Justice that appropriate proceedings be instituted under Title VII of the Civil Rights Act of 1964.

(4) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Secretary of Labor as the case may be.

(5) After consulting with the contracting agency, direct the contracting agency to cancel, terminate, suspend, or cause to be cancelled, terminated, or suspended, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with equal employment opportunity provisions of the contract. Contracts may be cancelled, terminated, or suspended absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the Secretary of Labor.

(6) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any noncomplying contractor, until such contractor has satisfied the Secretary of Labor that such contractor has established and will carry out personnel and employment policies in compliance with the provisions of this Order.

(b) Pursuant to rules and regulations prescribed by the Secretary of Labor, the Secretary shall make reasonable efforts, within a reasonable time limitation, to secure compliance with the contract provisions

of this Order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under subsection (a) (2) of this Section, or before a contract shall be cancelled or terminated in whole or in part under subsection (a) (5) of this Section.

SEC. 210. Whenever the Secretary of Labor makes a determination under Section 209, the Secretary shall promptly notify the appropriate agency. The agency shall take the action directed by the Secretary and shall report the results of the action it has taken to the Secretary of Labor within such time as the Secretary shall specify. If the contracting agency fails to take the action directed within thirty days, the Secretary may take the action directly.

SEC. 211. If the Secretary of Labor shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this Order or submits a program for compliance acceptable to the Secretary of Labor.

SEC. 212. When a contract has been cancelled or terminated under Section 209(a) (5) or a contractor has been debarred from further Government contracts under Section 209(a) (6) of this Order, because of noncompliance with the contract provisions specified in Section 202 of this Order, the Secretary of Labor shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 213. The Secretary of Labor may provide for issuance of a United States Government Certificate of Merit to employers or labor unions, or other agencies which are or may hereafter be engaged in work under Government contracts, if the Secretary is satisfied that the personnel and employment practices of the employer, or that the personnel training, apprenticeship, membership, grievance and representation, upgrading, and other practices and policies of the labor union or other agency conform to the purposes and provisions of this Order.

SEC. 214. Any Certificate of Merit may at any time be suspended or revoked by the Secretary of Labor if the holder thereof, in the judgment of the Secretary, has failed to comply with the provisions of this Order.

SEC. 215. The Secretary of Labor may provide for the exemption of any employer, labor union, or other agency from any reporting requirements imposed under or pursuant to this Order if such employer, labor union, or other agency has been awarded a Certificate of Merit which has not been suspended or revoked.

PART III—NONDISCRIMINATION PROVISIONS IN FEDERALLY ASSISTED CONSTRUCTION CONTRACTS

SEC. 301. Each executive department and agency which administers a program involving Federal financial assistance shall require as a condition for the approval of any grant, contract, loan, insurance, or guarantee thereunder, which may involve a construction contract, that the applicant for Federal assistance undertake and agree to incorporate, or cause to be incorporated, into all construction contracts paid for in whole or in part with funds obtained from the Federal Govern-

ment or borrowed on the credit of the Federal Government pursuant to such grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the provisions prescribed for Government contracts by Section 203 of this Order or such modification thereof, preserving in substance the contractor's obligations thereunder, as may be approved by the Secretary of Labor, together with such additional provisions as the Secretary deems appropriate to establish and protect the interest of the United States in the enforcement of those obligations. Each such applicant shall also undertake and agree (1) to assist and cooperate actively with the Secretary of Labor in obtaining the compliance of contractors and subcontractors with those contract provisions and with the rules, regulations and relevant orders of the Secretary, (2) to obtain and to furnish to the Secretary of Labor such information as the Secretary may require for the supervision of such compliance, (3) to carry out sanctions and penalties for violation of such obligations imposed upon contractors and subcontractors by the Secretary of Labor pursuant to Part II, Subpart D, of this Order, and (4) to refrain from entering into any contract subject to this Order, or extension or other modification of such a contract with a contractor debarred from Government contracts under Part II, subpart D, of this Order.

SEC. 302. (a) "Construction contract" as used in this Order means any contract for the construction, rehabilitation, alteration, conversion, extension, or repair of buildings, highways, or other improvements to real property.

(b) The provisions of Part II of this Order shall apply to such construction contracts, and for purposes of such application the administering department or agency shall be considered the contracting agency referred to therein.

(c) The term "applicant" as used in this Order means an applicant for Federal assistance or, as determined by agency regulation, other program participant, with respect to whom an application for any grant, contract, loan, insurance, or guarantee is not finally acted upon prior to the effective date of this Part, and it includes such an applicant after he becomes a recipient of such Federal assistance.

SEC. 303. (a) The Secretary of Labor shall be responsible for obtaining the compliance of such applicants with their undertakings under this Order. Each administering department and agency is directed to cooperate with the Secretary of Labor and to furnish the Secretary such information and assistance as the Secretary may require in the performance of the Secretary's functions under this Order.

(b) In the event an applicant fails and refuses to comply with the applicant's undertakings pursuant to this Order, the Secretary of Labor may, after consulting with the administering department or agency, take any or all of the following actions: (1) direct any administering department or agency to cancel, terminate, or suspend in whole or in part the agreement, contract or other arrangement with such applicant with respect to which the failure or refusal occurred; (2) direct any administering department or agency to refrain from extending any further assistance to the applicant under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received by the Secretary of Labor from such applicant; and (3) refer the case to the Depart-

ment of Justice or the Equal Employment Opportunity Commission for appropriate law enforcement or other proceedings.

(c) In no case shall action be taken with respect to an applicant pursuant to clause (1) or (2) of subsection (b) without notice and opportunity for hearing.

SEC. 304. Any executive department or agency which imposes by rule, regulation, or order requirements of nondiscrimination in employment, other than requirements imposed pursuant to this Order, may delegate to the Secretary of Labor by agreement such responsibilities with respect to compliance standards, reports, and procedures as would tend to bring the administration of such requirements into conformity with the administration of requirements imposed under this Order: *Provided*, That actions to effect compliance by recipients of Federal financial assistance with requirements imposed pursuant to Title VI of the Civil Rights Act of 1964 shall be taken in conformity with the procedures and limitations prescribed in Section 602 thereof and the regulations of the administering department or agency issued thereunder.

PART IV—MISCELLANEOUS

SEC. 401. The Secretary of Labor may delegate to any officer, agency, or employee in the Executive branch of the Government, any function or duty of the Secretary under Parts II and III of this Order.

SEC. 402. The Secretary of Labor shall provide administrative support for the execution of the program known as the "Plans for Progress."

SEC. 403. (a) Executive Orders Nos. 10590 (January 19, 1955), 10722 (August 5, 1957), 10925 (March 6, 1961), 11114 (June 22, 1963), and 11162 (July 28, 1964), are hereby superseded and the President's Committee on Equal Employment Opportunity established by Executive Order No. 10925 is hereby abolished. All records and property in the custody of the Committee shall be transferred to the Civil Service Commission and the Secretary of Labor, as appropriate.

(b) Nothing in this Order shall be deemed to relieve any person of any obligation assumed or imposed under or pursuant to any Executive Order superseded by this Order. All rules, regulations, orders, instructions, designations, and other directives issued by the President's Committee on Equal Employment Opportunity and those issued by the head of various departments or agencies under or pursuant to any of the Executive orders superseded by this Order, shall, to the extent that they are not inconsistent with this Order, remain in full force and effect unless and until revoked or superseded by appropriate authority. References in such directives to provisions of the superseded orders shall be deemed to be references to the comparable provisions of this Order.

SEC. 404. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this Order and of the rules and regulations of the Secretary of Labor.

SEC. 405. This Order shall become effective thirty days after the date of this Order.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *September 24, 1965.*

COORDINATION BY ATTORNEY GENERAL

Executive Order 11764

[39 F.R. 2575/6]

Nondiscrimination in Federally Assisted Programs

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d—2000d-4, prohibits discrimination on the ground of race, color, or national origin in programs and activities receiving Federal financial assistance. The agencies which extend such assistance have primary responsibility for effectuating title VI. Although the Attorney General is presently responsible for coordinating enforcement of title VI, it is appropriate to clarify and broaden the role of the Attorney General with respect to title VI enforcement.

Now, therefore, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, including section 301 of title 3 of the United States Code, it is ordered as follows:

SECTION 1. The Attorney General shall coordinate enforcement by Federal departments and agencies of Title VI of the Civil Rights Act of 1964. He shall prescribe standards and procedures regarding implementation of title VI and shall assist the departments and agencies in accomplishing effective implementation. He may adopt such rules and regulations and issue such orders as he deems necessary to carry out his functions under this order.

SEC. 2. (a) Each Federal department and agency shall cooperate with the Attorney General in the performance of his functions under this order and shall furnish him such reports and information as he may request.

(b) Title VI compliance reviews and investigations shall be conducted by the departments and agencies in accord with standards and procedures established by the Attorney General.

(c) Whenever a department or agency ascertains noncompliance or probable noncompliance with title VI, steps to obtain compliance by voluntary means or to enforce title VI requirements shall be carried out in accord with standards and procedures established by the Attorney General.

SEC. 3. The authority vested in the President by section 602 of title VI, 42 U.S.C. 2000d-1, to approve rules, regulations, and orders of general applicability is hereby delegated to the Attorney General.

SEC. 4. Executive Order No. 11247 of September 24, 1965, is hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *January 21, 1974.*

PRESCRIBING ADDITIONAL ARRANGEMENTS FOR DEVELOPING AND COORDINATING A NATIONAL PROGRAM FOR MINORITY BUSINESS ENTERPRISE

Excerpts From Executive Order 11625

[36 Fed. Reg. 19967]

The opportunity for full participation in our free enterprise system by socially and economically disadvantaged persons is essential if we are to obtain social and economic justice for such persons and improve the functioning of our national economy.

The Office of Minority Business Enterprise, established in 1969, greatly facilitated the strengthening and expansion of our minority enterprise program. In order to take full advantage of resources and opportunities in the minority enterprise field, we now must build on this foundation. One important way of improving our efforts is by clarifying the authority of the Secretary of Commerce (a) to implement Federal policy in support of the minority business enterprise program; (b) provide additional technical and management assistance to disadvantaged businesses; (c) to assist in demonstration projects; and (d) to coordinate the participation of all Federal departments and agencies in an increased minority enterprise effort.

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. *Functions of the Secretary of Commerce.* (a) The Secretary of Commerce (hereinafter referred to as "the Secretary") shall—

(1) Coordinate as consistent with law the plans, programs, and operations of the Federal Government which affect or may contribute to the establishment, preservation, and strengthening of minority business enterprise.

(2) Promote the mobilization of activities and resources of State and local governments, businesses and trade associations, universities, foundations, professional organizations, and volunteer and other groups toward the growth of minority business enterprises, and facilitate the coordination of the efforts of these groups with those of Federal departments and agencies.

(3) Establish a center for the development, collection, summarization, and dissemination of information that will be helpful to persons and organizations throughout the Nation in undertaking or promoting the establishment and successful operation of minority business enterprise.

(4) Within constraints of law and appropriations therefor, and according to his discretion, provide financial assistance to public and private organizations so that they may render technical and management assistance to minority business enterprises, and defray all or part of the costs of pilot or demonstration projects conducted by public or private agencies or organizations which are designed to overcome the special problems of minority business enterprises or otherwise to further the purposes of this order.

(b) The Secretary, as he deems necessary or appropriate to enable him to better fulfill the responsibilities vested in him by subsection (a), may—

(1) With the participation of other Federal departments and agencies as appropriate, develop comprehensive plans and specific program goals for the minority enterprise program; establish regular performance monitoring and reporting systems to assure that goals are being achieved; and evaluate the impact of Federal support in achieving the objectives established by this order.

(2) Require a coordinated review of all proposed Federal training and technical assistance activities in direct support of the minority enterprise program to assure consistency with program goals and to avoid duplication.

(3) Convene, for purposes of coordination, meetings of the heads of such departments and agencies, or their designees, whose programs and activities may affect or contribute to the purposes of this order.

(4) Convene business leaders, educators, and other representatives of the private sector who are engaged in assisting the development of minority business enterprise or who could contribute to its development, for the purpose of proposing, evaluating and coordinating governmental and private activities in furtherance of the objectives of this order.

(5) Confer with and advise officials of State and local governments.

(6) Provide the managerial and organizational framework through which joint or collaborative undertakings with Federal departments or agencies or private organizations can be planned and implemented.

(7) Recommend appropriate legislative or executive actions.

* * * * *

SEC. 3. Responsibilities of Other Federal Departments and Agencies.

(a) The head of each Federal department and agency, or a representative designated by him, when and in the manner so requested by the Secretary, shall furnish information, assistance, and reports to, and shall otherwise cooperate with, the Secretary in the performance of his functions hereunder.

(b) The head of each Federal department or agency shall, when so requested by the Secretary, designate his Under Secretary or such other similar official to have primary and continuing responsibility for the participation and cooperation of that department or agency in matters concerning minority business enterprise.

(c) The officials designated under the preceding paragraph, when so requested, shall review and report to the Secretary upon the policies and programs of the minority business enterprise program, and shall keep the Secretary informed of all proposed budgets, plans and programs of his department or agency affecting minority business enterprise.

(d) The head of each Federal department or agency, or a representative designated by him, shall, to the extent provided under regulations issued by the Secretary after consultation with the official designated in paragraph (b) above, report to the Secretary on any activity that falls within the scope of the minority business enterprise program as defined herein and in those regulations.

(e) Each Federal department or agency shall, within constraints of law and appropriations therefor, continue all current efforts to foster and promote minority business enterprises and to support the program herein set forth, and shall cooperate with the Secretary of Commerce in increasing the total Federal effort.

* * * * *

SEC. 8. *Prior Executive Order.* Executive Order No. 11458 of March 5, 1969, is hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *October 13, 1971.*

NONDISCRIMINATION UNDER FEDERAL GRANTS

Excerpted from the "Rehabilitation Act of 1973"

[Public Law 93-112, 87 Stat. 355]

SEC. 504. No otherwise qualified handicapped individual in the United States, as defined in section 7(6),¹ shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

¹ Defining "handicapped individual" as "any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit in terms of employability from vocational rehabilitation services provided pursuant to title I and III of this Act."

NATIONAL POLICY FOR THE ENVIRONMENT

National Environmental Policy Act of 1969

[Public Law 91-190, 83 Stat. 852; 42 U.S.C. 4321]

AN ACT To establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Environmental Policy Act of 1969".

PURPOSE

SEC. 2. The purposes of this Act are: To declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality.

TITLE I

DECLARATION OF NATIONAL ENVIRONMENTAL POLICY

SEC. 101. (a) The Congress, recognizing the profound impact of man's activity on the interrelations of all components of the natural environment, particularly the profound influences of population growth, high-density urbanization, industrial expansion, resource exploitation, and new and expanding technological advances and recognizing further the critical importance of restoring and maintaining environmental quality to the overall welfare and development of man, declares that it is the continuing policy of the Federal Government, in cooperation with State and local governments, and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.

(b) In order to carry out the policy set forth in this Act, it is the continuing responsibility of the Federal Government to use all practicable means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs, and resources to the end that the Nation may—

(1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(2) assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings;

(3) attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

(4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever possible, an environment which supports diversity and variety of individual choice;

(5) achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and

(6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

(c) The Congress recognizes that each person should enjoy a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible: (1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this Act, and (2) all agencies of the Federal Government shall—

(A) utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;

(B) identify and develop methods and procedures, in consultation with the Council on Environmental Quality established by title II of this Act, which will insure that presently unquantified environmental amenities and values may be given appropriate consideration in decisionmaking along with economic and technical considerations;

(C) include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

(i) the environmental impact of the proposed action,

(ii) any adverse environmental effects which cannot be avoided should the proposal be implemented,

(iii) alternatives to the proposed action,

(iv) the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity, and

(v) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and en-

force environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of title 5, United States Code, and shall accompany the proposal through the existing agency review processes;

(D)¹ Any detailed statement required under subparagraph (C) after January 1, 1970, for any major Federal action funded under a program of grants to States shall not be deemed to be legally insufficient solely by reason of having been prepared by a State agency or official, if:

(i) the State agency or official has statewide jurisdiction and has the responsibility for such action,

(ii) the responsible Federal official furnishes guidance and participates in such preparation,

(iii) the responsible Federal official independently evaluates such statement prior to its approval and adoption, and

(iv) after January 1, 1976, the responsible Federal official provides early notification to, and solicits the views of, any other State or any Federal land management entity of any action or any alternative thereto which may have significant impacts upon such State or affected Federal land management entity and, if there is any disagreement on such impacts, prepares a written assessment of such impacts and views for incorporation into such detailed statement.

The procedures in this subparagraph shall not relieve the Federal official of his responsibilities for the scope, objectivity, and content of the entire statement or of any other responsibility under this Act; and further, this subparagraph does not affect the legal sufficiency of statements prepared by State agencies with less than statewide jurisdiction.

(E) study, develop, and describe appropriate alternatives to recommend courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources;

(F) recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment;

(G) make available to States, counties, municipalities, institutions, and individuals, advice and information useful in restoring, maintaining, and enhancing the quality of the environment;

(H) initiate and utilize ecological information in the planning and development of resource-oriented projects; and

(I) assist the Council on Environmental Quality established by title II of this Act.

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and cur-

¹ Sec. 102(2) of the National Environmental Policy Act of 1969 was amended by Public Law 94-83, 89 Stat. 424, approved August 9, 1975, by inserting a new subparagraph "(D)" and redesignating subparagraphs "(D)" through "(H)" as "(E)" through "(I)".

rent policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this Act and shall propose to the President not later than July 1, 1971, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this Act.

SEC. 104. Nothing in Section 102 or 103 shall in any way affect the specific statutory obligations of any Federal agency (1) to comply with criteria or standards of environmental quality, (2) to coordinate or consult with any other Federal or State agency, or (3) to act, or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency.

SEC. 105. The policies and goals set forth in this Act are supplementary to those set forth in existing authorizations of Federal agencies.

TITLE II

COUNCIL ON ENVIRONMENTAL QUALITY

SEC. 201. The President shall transmit to the Congress annually beginning July 1, 1970, an Environmental Quality Report (hereinafter referred to as the "report") which shall set forth (1) the status and condition of the major natural, manmade, or altered environmental classes of the Nation, including, but not limited to, the air, the aquatic, including marine, estuarine, and fresh water, and the terrestrial environment, including, but not limited to, the forest, dryland, wetland, range, urban, suburban, and rural environment; (2) current and foreseeable trends in the quality management and utilization of such environments and the effects of those trends on the social, economic, and other requirements of the Nation; (3) the adequacy of available natural resources for fulfilling human and economic requirements of the Nation in the light of expected population pressures; (4) a review of the programs and activities (including regulatory activities) of the Federal Government, the State and local governments, and nongovernmental entities or individuals, with particular reference to their effect on the environment and on the conservation, development and utilization of natural resources; and (5) a program for remedying the deficiencies of existing programs and activities, together with recommendations for legislation.

SEC. 202. There is created in the Executive Office of the President a Council on Environmental Quality (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. The President shall designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainments, is exceptionally well qualified to analyze and interpret environmental trends and information of all kinds; to appraise programs and activities of the Federal Government in the light of the policy set forth in title I of this Act; to be conscious of and responsive to the scientific, economic, social, esthetic, and cultural needs and interests of the Nation; and to formulate and recommend national policies to promote the improvement of the quality of the environment.

SEC. 203. (a)¹ The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this Act, in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

(b) Notwithstanding section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)), the Council may accept and employ voluntary and uncompensated services in furtherance of the purposes of the Council.

SEC. 204. It shall be the duty and function of the Council—

(1) to assist and advise the President in the preparation of the Environmental Quality Report required by section 201;

(2) to gather timely and authoritative information concerning the conditions and trends in the quality of the environment both current and prospective, to analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering, or are likely to interfere, with the achievement of the policy set forth in title I of this Act, and to compile and submit to the President studies relating to such conditions and trends;

(3) to review and appraise the various programs and activities of the Federal Government in the light of the policy set forth in title I of this Act for the purpose of determining the extent to which such programs and activities are contributing to the achievement of such policy, and to make recommendations to the President with respect thereto;

(4) to develop and recommend to the President national policies to foster and promote the improvement of environmental quality to meet the conservation, social, economic, health, and other requirements and goals of the Nation;

(5) to conduct investigations, studies, surveys, research, and analyses relating to ecological systems and environmental quality;

(6) to document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(7) to report at least once each year to the President on the state and condition of the environment; and

(8) to make and furnish such studies, reports thereon, and recommendations with respect to matters of policy and legislation as the President may request.

SEC. 205. In exercising its powers, functions, and duties under this Act, the Council shall—

(1) consult with the Citizens' Advisory Committee on Environmental Quality established by Executive Order numbered 11472, dated May 29, 1969, and with such representatives of science, industry, agriculture, labor, conservation organizations, State and local governments and other groups, as it deems advisable; and

¹ Sec. 2 of Public Law 94-52, 89 Stat. 258, approved July 3, 1975, amended section 203 of the National Environmental Policy Act of 1969, by inserting "(a)" immediately before "The Council" and adding a new subsection "(b)".

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

SEC. 206. Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

ACCEPTANCE OF TRAVEL REIMBURSEMENT

SEC. 207.¹ The Council may accept reimbursements from any private nonprofit organization or from any department, agency, or instrumentality of the Federal Government, any State, or local government, for the reasonable travel expenses incurred by an officer or employee of the Council in connection with his attendance at any conference, seminar, or similar meeting conducted for the benefit of the Council.

EXPENDITURES FOR INTERNATIONAL TRAVEL

SEC. 208. The Council may make expenditures in support of its international activities, including expenditures for: (1) international travel; (2) activities in implementation of international agreements; and (3) the support of international exchange programs in the United States and in foreign countries.

SEC. 209. There are authorized to be appropriated to carry out the provisions of this Act not to exceed \$300,000 for fiscal year 1970, \$700,000 for fiscal year 1971, and \$1,000,000 for each fiscal year thereafter.

Approved January 1, 1970.

PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL QUALITY

Executive Order 11514

[35 Fed. Reg. 4247]

By virtue of the authority vested in me as President of the United States and in furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (Public Law 91-190, approved January 1, 1970), it is ordered as follows:

SECTION 1. *Policy.* The Federal Government shall provide leadership in protecting and enhancing the quality of the Nation's environment to sustain and enrich human life. Federal agencies shall initiate measures needed to direct their policies, plans and programs so as to meet national environmental goals. The Council on Environmental

¹ Sec. 3 of Public Law 94-52, 89 Stat. 258, approved July 3, 1975, amended the National Environmental Policy Act of 1969 by redesignating "Section 207" as "Section 209" and inserting new "Sections 207 and 208".

Quality, through the Chairman, shall advise and assist the President in leading this national effort.

SEC. 2. *Responsibilities of Federal agencies.* Consonant with Title I of the National Environmental Policy Act of 1969, hereafter referred to as the "Act", the heads of Federal agencies shall:

(a) Monitor, evaluate, and control on a continuing basis their agencies' activities so as to protect and enhance the quality of the environment. Such activities shall include those directed to controlling pollution and enhancing the environment and those designed to accomplish other program objectives which may affect the quality of the environment. Agencies shall develop programs and measures to protect and enhance environmental quality and shall assess progress in meeting the specific objectives of such activities. Heads of agencies shall consult with appropriate Federal, State and local agencies in carrying out their activities as they affect the quality of the environment.

(b) Develop procedures to ensure the fullest practicable provision of timely public information and understanding of Federal plans and programs with environmental impact in order to obtain the views of interested parties. These procedures shall include, whenever appropriate, provision for public hearings, and shall provide the public with relevant information, including information on alternative courses of action. Federal agencies shall also encourage State and local agencies to adopt similar procedures for informing the public concerning their activities affecting the quality of the environment.

(c) Insure that information regarding existing or potential environmental problems and control methods developed as part of research, development, demonstration, test, or evaluation activities is made available to Federal agencies, States, counties, municipalities, institutions, and other entities, as appropriate.

(d) Review their agencies' statutory authority, administrative regulations, policies, and procedures, including those relating to loans, grants, contracts, leases, licenses, or permits, in order to identify any deficiencies or inconsistencies therein which prohibit or limit full compliance with the purposes and provisions of the Act. A report on this review and the corrective actions taken or planned, including such measures to be proposed to the President as may be necessary to bring their authority and policies into conformance with the intent, purposes, and procedures of the Act, shall be provided to the Council on Environmental Quality not later than September 1, 1970.

(e) Engage in exchange of data and research results, and cooperate with agencies of other governments to foster the purposes of the Act.

(f) Proceed, in coordination with other agencies, with actions required by section 102 of the Act.

SEC. 3. *Responsibilities of Council on Environmental Quality.* The Council on Environmental Quality shall:

(a) Evaluate existing and proposed policies and activities of the Federal Government directed to the control of pollution and the enhancement of the environment and to the accomplishment of other objectives which affect the quality of the environment. This shall include continuing review of procedures employed in the development and enforcement of Federal standards affecting environmental quality. Based upon such evaluations the Council shall, where appro-

priate, recommend to the President policies and programs to achieve more effective protection and enhancement of environmental quality and shall, where appropriate, seek resolution of significant environmental issues.

(b) Recommend to the President and to the agencies priorities among programs designed for the control of pollution and for enhancement of the environment.

(c) Determine the need for new policies and programs for dealing with environmental problems not being adequately addressed.

(d) Conduct, as it determines to be appropriate, public hearings or conferences on issues of environmental significance.

(e) Promote the development and use of indices and monitoring systems (1) to assess environmental conditions and trends, (2) to predict the environmental impact of proposed public and private actions, and (3) to determine the effectiveness of programs for protecting and enhancing environmental quality.

(f) Coordinate Federal programs related to environmental quality.

(g) Advise and assist the President and the agencies in achieving international cooperation for dealing with environmental problems, under the foreign policy guidance of the Secretary of State.

(h) Issue guidelines to Federal agencies for the preparation of detailed statements on proposals for legislation and other Federal actions affecting the environment, as required by section 102(2)(C) of the Act.

(i) Issue such other instructions to agencies, and request such reports and other information from them, as may be required to carry out the Council's responsibilities under the Act.

(j) Assist the President in preparing the annual Environmental Quality Report provided for in section 201 of the Act.

(k) Foster investigations, studies, surveys, research, and analyses relating to (i) ecological systems and environmental quality, (ii) the impact of new and changing technologies thereon, and (iii) means of preventing or reducing adverse effects from such technologies.

SEC. 4. *Amendments of E.O. 11472.* Executive Order No. 11472 of May 29, 1969, including the heading thereof, is hereby amended:

(1) By substituting for the term "the Environmental Quality Council", wherever it occurs, the following: "the Cabinet Committee on the Environment".¹

(2) By substituting for the term "the Council", wherever it occurs, the following: "the Cabinet Committee".

(3) By inserting in subsection (f) of section 101, after "Budget", the following: "the Director of the Office of Science and Technology".

(4) By substituting for subsection (g) of section 101 the following: "(g) The Chairman of the Council on Environmental Quality (established by Public Law 91-190) shall assist the President in directing the affairs of the Cabinet Committee."

(5) By deleting subsection (c) of section 102.

(6) By substituting for "the Office of Science and Technology", in section 104, the following: "the Council on Environmental Quality (established by Public Law 91-190)".

¹ Executive Order 11541 of July 1, 1970, 35 Fed. Reg. 10737 terminated the Cabinet Committee on the Environment and provided that the functions heretofore assigned to that Committee shall be performed by the Domestic Council in the Executive Office of the President.

(7) By substituting for "(hereinafter referred to as the 'Committee')", in section 201, the following: "(hereinafter referred to as the 'Citizens' Committee')".

(8) By substituting for the term "the Committee", wherever it occurs, the following: "the Citizens' Committee".

RICHARD NIXON.

THE WHITE HOUSE, March 5, 1970.

ESTABLISHING THE CABINET COMMITTEE ON THE ENVIRONMENT AND THE CITIZENS' ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY

Executive Order 11472¹

[34 Fed. Reg. 8693]

By virtue of the authority vested in me as President of the United States, it is ordered as follows:

PART I. THE CABINET COMMITTEE ON THE ENVIRONMENT

SEC. 101. *Establishment of the Cabinet Committee.* (a) There is hereby established the Cabinet Committee on the Environment (hereinafter referred to as "the Cabinet Committee").

(b) The President of the United States shall preside over meetings of the Cabinet Committee. The Vice President shall preside in the absence of the President.

(c) The Cabinet Committee shall be composed of the following members:

The Vice President of the United States
Secretary of Agriculture
Secretary of Commerce
Secretary of Health, Education and Welfare
Secretary of Housing and Urban Development
Secretary of the Interior
Secretary of Transportation

and such other heads of departments and agencies and others as the President may from time to time direct.

(d) Each member of the Cabinet Committee may designate an alternate, who shall serve as a member of the Cabinet Committee whenever the regular member is unable to attend any meeting of the Cabinet Committee.

(e) When matters which affect the interest of Federal agencies the heads of which are not members of the Cabinet Committee are to be considered by the Cabinet Committee, the President or his representative may invite such agency heads or their alternates to participate in the deliberations of the Cabinet Committee.

¹ This Order amended by Executive Order 11514 of March 5, 1970 (35 Fed. Reg. 4247) to reflect the establishment of the Cabinet Committee on the Environment in place of the Environmental Quality Council, and to provide that the Chairman of the Council on Environmental Quality (rather than the Science Adviser to the President) shall assist the President in directing the affairs of the Cabinet Committee.

Executive Order 11541 of July 1, 1970, 35 Fed. Reg. 10737 terminated the Cabinet Committee on the Environment and provided that the functions heretofore assigned to that committee shall be performed by the Domestic Council in the Executive Office of the President.

(f) The Director of the Bureau of the Budget, the Director of the Office of Science and Technology, the Chairman of the Council of Economic Advisers, and the Executive Secretary of the Council for Urban Affairs or their representatives may participate in the deliberations of the Cabinet Committee on the Environment as observers.

(g) The Chairman of the Council on Environmental Quality (established by Public Law 91-190) shall assist the President in directing the affairs of the Cabinet Committee.

SEC. 102. *Functions of the Cabinet Committee.* (a) The Cabinet Committee shall advise and assist the President with respect to environmental quality matters and shall perform such other related duties as the President may from time to time prescribe. In addition thereto, the Cabinet Committee is directed to:

(1) Recommend measures to ensure that Federal policies and programs, including those for development and conservation of natural resources, take adequate account of environmental effects.

(2) Review the adequacy of existing systems for monitoring and predicting environmental changes so as to achieve effective coverage and efficient use of facilities and other resources.

(3) Foster cooperation between the Federal Government, State and local governments, and private organizations in environmental programs.

(4) Seek advancement of scientific knowledge of changes in the environment and encourage the development of technology to prevent or minimize adverse effects that endanger man's health and well-being.

(5) Stimulate public and private participation in programs and activities to protect against pollution of the Nation's air, water, and land and its living resources.

(6) Encourage timely public disclosure by all levels of government and by private parties of plans that would affect the quality of environment.

(7) Assure assessment of new and changing technologies for their potential effects on the environment.

(8) Facilitate coordination among departments and agencies of the Federal Government in protecting and improving the environment.

(b) The Cabinet Committee shall review plans and actions of Federal agencies affecting outdoor recreation and natural beauty. The Cabinet Committee may conduct studies and make recommendations to the President on matters of policy in the fields of outdoor recreation and natural beauty. In carrying out the foregoing provisions of this subsection, the Cabinet Committee shall, as far as may be practical, advise Federal agencies with respect to the effect of their respective plans and programs on recreation and natural beauty, and may suggest to such agencies ways to accomplish the purposes of this order. For the purposes of this order, plans and programs may include, but are not limited to, those for or affecting: (1) Development, restoration, and preservation of the beauty of the countryside, urban and suburban areas, water resources, wild rivers, scenic roads, parkways and highways, (2) the protection and appropriate management of scenic or primitive areas, natural wonders, historic sites, and recreation areas, (3) the management of Federal land and water resources, including fish and wildlife, to enhance natural beauty and recreational opportunities consistent with other essential uses, (4) cooperation with the States and their local subdivisions and private organizations and

individuals in areas of mutual interest, (5) interstate arrangements, including Federal participation where authorized and necessary, and (6) leadership in a nationwide recreation and beautification effort.

SEC. 103. *Coordination.* The Secretary of the Interior may make available to the Cabinet Committee for coordination of outdoor recreation the authorities and resources available to him under the Act of May 28, 1963, 77 Stat. 49; to the extent permitted by law, he may make such authorities and resources available to the Cabinet Committee also for promoting such coordination of other matters assigned to the Cabinet Committee by this order.

SEC. 104. *Assistance for the Cabinet Committee.* In compliance with provisions of applicable law, and as necessary to serve the purposes of this order, (1) The Council on Environmental Quality (established by Public Law 91-190) shall provide or arrange for necessary administrative and staff services, support, and facilities for the Cabinet Committee, and (2) each department and agency which has membership on the Cabinet Committee under Section 101(c) hereof shall furnish the Cabinet Committee such information and other assistance as may be available.

PART II.¹ * * *

* * * * *

PART III. GENERAL PROVISIONS

SEC. 301. *Construction.* Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law to any such agency or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

SEC. 302. *Prior bodies and orders.* The President's Council on Recreation and Natural Beauty and the Citizens' Advisory Committee on Recreation and Natural Beauty are hereby terminated and the following are revoked:

- (1) Executive Order No. 11278 of May 4, 1966.
- (2) Executive Order No. 11359A of June 29, 1967.
- (3) Executive Order No. 11402 of March 29, 1968.

RICHARD NIXON.

THE WHITE HOUSE, May 29, 1969.

PROTECTION AND ENHANCEMENT OF THE CULTURAL ENVIRONMENT

Executive Order 11593

[36 Fed. Reg. 8921]

By virtue of the authority vested in me as President of the United States and in furtherance of the purposes and policies of the National Environmental Policy Act of 1969 (83 Stat. 852, 42 U.S.C. 4321

¹ Part II is revoked by Executive Order 12007, approved August 22, 1977.

et seq.), the National Historic Preservation Act of 1966 (80 Stat. 915, 16 U.S.C. 470 et seq.), the Historic Sites Act of 1935 (49 Stat. 666, 16 U.S.C. 461 et seq.), and the Antiquities Act of 1906 (34 Stat. 225, 16 U.S.C. 431 et seq.), it is ordered as follows:

SECTION. 1. *Policy.* The Federal Government shall provide leadership in preserving, restoring and maintaining the historic and cultural environment of the Nation. Agencies of the executive branch of the Government (hereinafter referred to as "Federal agencies") shall (1) administer the cultural properties under their control in a spirit of stewardship and trusteeship for future generations, (2) initiate measures necessary to direct their policies, plans and programs in such a way that federally owned sites, structures, and objects of historical architectural or archaeological significance are preserved, restored and maintained for the inspiration and benefit of the people, and (3), in consultation with the Advisory Council on Historic Preservation (16 U.S.C. 470i), institute procedures to assure that Federal plans and programs contribute to the preservation and enhancement of non-federally owned sites, structures and objects of historical, architectural or archaeological significance.

SEC. 2. *Responsibilities of Federal agencies.* Consonant with the provisions of the acts cited in the first paragraph of this order, the heads of Federal agencies shall:

(a) no later than July 1, 1973, with the advice of the Secretary of the Interior, and in cooperation with the liaison office for historic preservation for the State or territory involved, locate, inventory, and nominate to the Secretary of the Interior all sites, buildings districts, and objects under their jurisdiction or control that appear to qualify for listing on the National Register of Historic Places.

(b) exercise caution during the interim period until inventories and evaluations required by subsection (a) are completed to assure that any federally owned property that might qualify for nomination is not inadvertently transferred, sold, demolished or substantially altered. The agency head shall refer any questionable actions to the Secretary of the Interior for an opinion respecting the property's eligibility for inclusion on the National Register of Historic Places. The Secretary shall consult with the liaison officer for historic preservation for the State or territory involved in arriving at his opinion. Where, after a reasonable period in which to review and evaluate the property, the Secretary determines that the property is likely to meet the criteria prescribed for listing on the National Register of Historic Places, the Federal agency head shall reconsider the proposal in light of national environmental and preservation policy. Where, after such reconsideration, the Federal agency head proposes to transfer, sell, demolish or substantially alter the property he shall not act with respect to the property until the Advisory Council on Historic Preservation shall have been provided an opportunity to comment on the proposal.

(c) initiate measures to assure that where as a result of Federal action or assistance a property listed on the National Register of Historic Places is to be substantially altered or demolished, timely steps be taken to make or have made records, including measured drawings, photographs and maps, of the property, and that copy of such records then be deposited in the Library of Congress as part of the

Historic American Buildings Survey or Historic American Engineering Record for future use and reference. Agencies may call on the Department of the Interior for advice and technical assistance in the completion of the above records.

(d) initiate measures and procedures to provide for the maintenance, through preservation, rehabilitation, or restoration, of federally owned and registered sites at professional standards prescribed by the Secretary of the Interior.

(e) submit procedures required pursuant to subsection (d) to the Secretary of the Interior and to the Advisory Council on Historic Preservation no later than January 1, 1972, and annually thereafter, for review and comment.

(f) cooperate with purchasers and transferees of a property listed on the National Register of Historic Places in the development of viable plans to use such property in a manner compatible with preservation objectives and which does not result in an unreasonable economic burden to public or private interests.

SEC. 3. *Responsibilities of the Secretary of the Interior.* The Secretary of the Interior shall:

(a) encourage State and local historic preservation officials to evaluate and survey federally owned historic properties and, where appropriate, to nominate such properties for listing on the National Register of Historic Places.

(b) develop criteria and procedures to be applied by Federal agencies in the reviews and nominations required by section 2(a). Such criteria and procedures shall be developed in consultation with the affected agencies.

(c) expedite action upon nominations to the National Register of Historic Places concerning federally owned properties proposed for sale, transfer, demolition or substantial alteration.

(d) encourage State and Territorial liaison officers for historic preservation to furnish information upon request to Federal agencies regarding their properties which have been evaluated with respect to historic, architectural or archaeological significance and which as a result of such evaluations have not been found suitable for listing on the National Register of Historic Places.

(e) develop and make available to Federal agencies and State and local governments information concerning professional methods and techniques for preserving, improving, restoring and maintaining historic properties.

(f) advise Federal agencies in the evaluation, identification, preservation, improvement, restoration and maintenance of historic properties.

(g) review and evaluate the plans of transferees of surplus Federal properties transferred for historic monument purposes to assure that the historic character of such properties is preserved in rehabilitation, restoration, improvement, maintenance and repair of such properties.

(h) review and comment upon Federal agency procedures submitted pursuant to section 2(e) of this order.

RICHARD NIXON.

THE WHITE HOUSE, May 13, 1971.

ENVIRONMENTAL QUALITY IMPROVEMENT ACT OF 1970

[Public Law 91-224, 84 Stat. 114, 115; 42 U.S.C. 4371]

* * * * *

TITLE II—ENVIRONMENTAL QUALITY

SHORT TITLE

SEC. 201. This title may be cited as the “Environmental Quality Improvement Act of 1970.”

FINDINGS, DECLARATIONS, AND PURPOSES

SEC. 202. (a) The Congress finds—

(1) that man has caused changes in the environment;

(2) that many of these changes may affect the relationship between man and his environment; and

(3) that population increases and urban concentration contribute directly to pollution and the degradation of our environment.

(b) (1) The Congress declares that there is a national policy for the environment which provides for the enhancement of environmental quality. This policy is evidenced by statutes heretofore enacted relating to the prevention, abatement, and control of environmental pollution. water and land resources, transportation, and economic and regional development.

(2) The primary responsibility for implementing this policy rests with State and local governments.

(3) The Federal Government encourages and supports implementation of this policy through appropriate regional organizations established under existing law.

(c) The purposes of this title are—

(1) to assure that each Federal department and agency conducting or supporting public works activities which affect the environment shall implement the policies established under existing law; and

(2) to authorize an Office of Environmental Quality, which, notwithstanding any other provision of law, shall provide the professional and administrative staff for the Council on Environmental Quality established by Public Law 91-190.

OFFICE OF ENVIRONMENTAL QUALITY

SEC. 203. (a) There is established in the Executive Office of the President an office to be known as the Office of Environmental Quality (hereafter in this title referred to as the “Office”). The Chairman of the Council on Environmental Quality established by Public Law 91-190 shall be the Director of the Office. There shall be in the Office a Deputy Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) The compensation of the Deputy Director shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

(c) The Director is authorized to employ such officers and employees (including experts and consultants) as may be necessary to enable the Office to carry out its functions under this title and Public Law 91-190, except that he may employ no more than ten specialists and other experts without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and pay such specialists and experts without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no such specialist or expert shall be paid at a rate in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of title 5.

(d) In carrying out his functions the Director shall assist and advise the President on policies and programs of the Federal Government affecting environmental quality by—

(1) providing the professional and administrative staff and support for the Council on Environmental Quality established by Public Law 91-190;

(2) assisting the Federal agencies and departments in appraising the effectiveness of existing and proposed facilities, programs, policies, and activities of the Federal Government, and those specific major projects designated by the President which do not require individual project authorization by Congress, which affect environmental quality;

(3) reviewing the adequacy of existing systems for monitoring and predicting environmental changes in order to achieve effective coverage and efficient use of research facilities and other resources;

(4) promoting the advancement of scientific knowledge of the effects of actions and technology on the environment and encourage the development of the means to prevent or reduce adverse effects that endanger the health and well-being of man;

(5) assisting in coordinating among the Federal departments and agencies those programs and activities which affect, protect, and improve environmental quality;

(6) assisting the Federal departments and agencies in the development and interrelationship of environmental quality criteria and standards established through the Federal Government;

(7) collecting, collating, analyzing, and interpreting data and information on environmental quality, ecological research, and evaluation.

(e) The Director is authorized to contract with public or private agencies, institutions, and organizations and with individuals without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5) in carrying out his functions.

REPORT

SEC. 204. Each Environmental Quality Report required by Public Law 97-190 shall, upon transmittal to Congress, be referred to each standing committee having jurisdiction over any part of the subject matter of the Report.

AUTHORIZATION

SEC. 205.¹ There are hereby authorized to be appropriated for the operations of the Office of Environmental Quality and the Council on Environmental Quality not to exceed the following sums for the following fiscal years which sums are in addition to those contained in Public Law 91-190:

- (a) \$2,000,000 for the fiscal year ending June 30, 1976.
 - (b) \$500,000 for the transition period (July 1, 1976, to September 30, 1976).
 - (c) \$3,000,000 for the fiscal year ending September 30, 1977.
 - (d) \$3,000,000 for the fiscal year ending September 30, 1978.
- Approved April 3, 1970.

RELATING TO THE TRANSFER OF CERTAIN ENVIRONMENTAL
EVALUATION FUNCTIONS

Executive Order 12040

[43 Fed. Reg. 8097]

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including Section 7 of Reorganization Plan No. 1 of 1977 (42 FR 56101 (October 21, 1977)), and as President of the United States of America, in order to effectuate the transfer of certain environmental quality functions, it is hereby ordered as follows:

SECTION 1. The transfer, provided by Section 5E of Reorganization Plan No. 1 of 1977 (42 FR 56101), of those functions relating to the evaluation provided for by Section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (88 Stat. 1878, 42 U.S.C. 5910), from the Council on Environmental Quality and the Office of Environmental Quality to the Administrator of the Environmental Protection Agency shall be effective February 26, 1978.

SEC. 2. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfer of functions provided in this Order, including the transfer of funds, personnel and positions, property, records, and other items related to the functions transferred.

JIMMY CARTER.

THE WHITE HOUSE, *February 24, 1978.*

PREVENTION, CONTROL, AND ABATEMENT OF AIR AND WATER
POLLUTION AT FEDERAL FACILITIES

Executive Order 11507

[35 Fed. Reg. 2573]

By virtue of the authority vested in me as President of the United States and in furtherance of the purpose and policy of the Clean Air Act, as amended (42 U.S.C. 1857), the Federal Water Pollution Con-

¹ Sec. 205 of the Environmental Quality Improvement Act of 1970 was amended to read as set forth in the text by Public Law 94-298, approved May 29, 1976, 90 Stat. 587.

trol Act, as amended (33 U.S.C. 466), and the National Environmental Policy Act of 1969 (Public Law No. 91-190, approved January 1, 1970), it is ordered as follows:

SECTION 1. Policy. It is the intent of this order that the Federal Government in the design, operation, and maintenance of its facilities shall provide leadership in the nationwide effort to protect and enhance the quality of our air and water resources.

SEC. 2. Definitions. As used earlier in this order:

(a) The term "respective Secretary" shall mean the Secretary of Health, Education, and Welfare in matters pertaining to air pollution control and the Secretary of the Interior in matters pertaining to water pollution control.

(b) The term "agencies" shall mean the departments, agencies, and establishments of the executive branch.

(c) The term "facilities" shall mean the buildings, installations, structures, public works, equipment, aircraft, vessels, and other vehicles and property, owned by or constructed or manufactured for the purpose of leasing to the Federal Government.

(d) The term "air and water quality standards" shall mean respectively the quality standards and related plans of implementation, including emission standards, adopted pursuant to the Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended, or as prescribed pursuant to section 4(b) of this order.

(e) The term "performance specifications" shall mean permissible limits of emissions, discharges, or other values applicable to a particular Federal facility that would, as a minimum, provide for conformance with air and water quality standards as defined therein.

(f) The term "United States" shall mean the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

SEC. 3. Responsibilities. (a) Heads of agencies shall, with regard to all facilities under their jurisdiction:

(1) Maintain review and surveillance to ensure that the standards set forth in section 4 of this order are met on a continuing basis.

(2) Direct particular attention to identifying potential air and water quality problems associated with the use and production of new materials and make provisions for their prevention and control.

(3) Consult with the respective Secretary concerning the best techniques and methods available for the protection and enhancement of air and water quality.

(4) Develop and publish procedures, within six months of the date of this order, to ensure that the facilities under their jurisdiction are in conformity with this order. In the preparation of such procedures there shall be timely and appropriate consultation with the respective Secretary.

(b) The respective Secretary shall provide leadership in implementing this order, including the provision of technical advice and assistance to the heads of agencies in connection with their duties and responsibilities under this order.

(c) The Council on Environmental Quality shall maintain continuing review of the implementation of this order and shall, from time to time, report to the President thereon.

SEC. 4. Standards. (a) Heads of agencies shall ensure that all facilities under their jurisdiction are designed, operated, and maintained so as to meet the following requirements:

(1) Facilities shall conform to air and water quality standards as defined in section 2(d) of this order. In those cases where no such air or water quality standards are in force for a particular geographical area, Federal facilities in that area shall conform to the standards established pursuant to subsection (b) of this section. Federal facilities shall also conform to the performance specifications provided for in this order.

(2) Actions shall be taken to avoid or minimize wastes created through the complete cycle of operations of each facility.

(3) The use of municipal or regional waste collection or disposal systems shall be the preferred method of disposal of wastes from Federal facilities. Whenever use of such a system is not feasible or appropriate, the heads of agencies concerned shall take necessary measures for the satisfactory disposal of such wastes, including:

(A) When appropriate, the installation and operation of their own waste treatment and disposal facilities in a manner consistent with this section.

(B) The provision of trained manpower, laboratory and other supporting facilities as appropriate to meet the requirements of this section.

(C) The establishment of requirements that operators of Federal pollution control facilities meet levels of proficiency consistent with the operator certification requirements of the State in which the facility is located. In the absence of such State requirements the respective Secretary may issue guidelines, pertaining to operator qualifications and performance, for the use of heads of agencies.

(4) The use, storage, and handling of all materials, including but not limited to, solid fuels, ashes, petroleum products, and other chemical and biological agents, shall be carried out so as to avoid or minimize the possibilities for water and air pollution. When appropriate, preventive measure shall be taken to entrap spillage or discharge or otherwise to prevent accidental pollution. Each agency, in consultation with the respective Secretary, shall establish appropriate emergency plans and procedures for dealing with accidental pollution.

(5) No waste shall be disposed of or discharged in such a manner as could result in the pollution of ground water which would endanger the health or welfare of the public.

(6) Discharges of radioactivity shall be in accordance with the applicable rules, regulations, or requirements of the Atomic Energy Commission and with the policies and guidance of the Federal Radiation Council as published in the FEDERAL REGISTER.

(b) In those cases where there are no air or water quality standards as defined in section 2(d) of this order in force for a particular geographic area or in those cases where more stringent requirements are deemed advisable for Federal facilities, the respective Secretary, in consultation with appropriate Federal, State, interstate, and local agencies, may issue regulations establishing air or water quality standards for the purpose of this order, including related schedules for implementation.

(c) The heads of agencies, in consultation with the respective Secretary, may from time to time identify facilities or uses thereof which are to be exempted, including temporary relief, from provisions of this order in the interest of national security or in extraordinary cases

where it is in the national interest. Such exemptions shall be reviewed periodically by the respective Secretary and the heads of the agencies concerned. A report on exemptions granted shall be submitted to the Council on Environmental Quality periodically.

SEC. 5. *Procedures for abatement of air and water pollution at existing Federal facilities.* (a) Actions necessary to meet the requirements of subsection (a) (1) and (b) of section 4 of this order pertaining to air and water pollution at existing facilities are to be completed or under way no later than December 31, 1972. In cases where an enforcement conference called pursuant to law or air and water quality standards require earlier actions, the earlier date shall be applicable.

(b) In order to ensure full compliance with the requirements of section 5(a) and to facilitate budgeting for necessary corrective and preventive measures, heads of agencies shall present to the Director of the Bureau of the Budget by June 30, 1970, a plan to provide for such improvements as may be necessary to meet the required date. Subsequent revisions needed to keep any such plan up-to-date shall be promptly submitted to the Director of the Bureau of the Budget.

(c) Heads of agencies shall notify the respective Secretary as to the performance specifications proposed for each facility to meet the requirements of subsection 4(a) (1) and (b) of this order. Where the respective Secretary finds that such performance specifications are not adequate to meet such requirements, he shall consult with the agency head and the latter shall thereupon develop adequate performance specifications.

(d) As may be found necessary, heads of agencies may submit requests to the Director of the Bureau of the Budget for extensions of time for a project beyond the time specified in section 5(a). The Director, in consultation with the respective Secretary, may approve such requests if the Director deems that such project is not technically feasible or immediately necessary to meet the requirements of subsections 4(a) and (b). Full justification as to the extraordinary circumstances necessitating any such extension shall be required.

(e) Heads of agencies shall not use for any other purpose any of the amounts appropriated and apportioned for corrective and preventive measures necessary to meet the requirements of subsection (a) for the fiscal year ending June 30, 1971, and for any subsequent fiscal year.

SEC. 6. *Procedures for new Federal facilities.* (a) Heads of agencies shall ensure that the requirements of section 4 of this order are considered at the earliest possible stage of planning for new facilities.

(b) A request for funds to defray the cost of designing and constructing new facilities in the United States shall be included in the annual budget estimates of an agency only if such request includes funds to defray the costs of such measures as may be necessary to assure that the new facility will meet the requirements of section 4 of this order.

(c) Heads of agencies shall notify the respective Secretary as to the performance specifications proposed for each facility when action is necessary to meet the requirements of subsections 4 (a) (1) and (b) of this order. Where the respective Secretary finds that such performance specifications are not adequate to meet such requirements he shall consult with the agency head and the latter shall thereupon develop adequate performance specifications.

(d) Heads of agencies shall give due consideration to the quality of air and water resources when facilities are constructed or operated outside the United States.

SEC. 7. *Procedures for Federal water resources projects.* (a) All water resources projects of the Department of Agriculture, the Interior and the Army, the Tennessee Valley Authority, and the United States Section of the International Boundary and Water Commission shall be consistent with the requirements of section 4 of this order. In addition, all such projects shall be presented for the consideration of the Secretary of the Interior at the earliest feasible stage if they involve proposals or recommendations with respect to the authorization or construction of any Federal water resources project in the United States. The Secretary of the Interior shall review plans and supporting data for all such projects relating to water quality, and shall prepare a report to the head of the responsible agency describing the potential impact of the project on water quality, including recommendations concerning any changes or other measures with respect thereto which he considers to be necessary in connection with the design, construction, and operation of the project.

(b) The report of the Secretary of the Interior shall accompany at the earliest practicable stage any report proposing authorization or construction, or a request for funding, of such a water resource project. In any case in which the Secretary of the Interior fails to submit a report within 90 days after receipt of project plans, the head of the agency concerned may propose authorization, construction, or funding of the project without such an accompanying report. In such a case, the head of the agency concerned shall explicitly state in his request or report concerning the project that the Secretary of the Interior has not reported on the potential impact of the project on water quality.

SEC. 8. *Saving provisions.* Except to the extent that they are inconsistent with this order, all outstanding rules, regulations, orders, delegations, or other forms of administrative action issued, made, or otherwise taken under the orders superseded by section 9 hereof or relating to the subject of this order shall remain in full force and effect until amended, modified, or terminated by proper authority.

SEC. 9. *Orders superseded.* Executive Order No. 11282 of May 26, 1966, and Executive Order No. 11288 of July 2, 1966, are hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, February 4, 1970.

EXCERPT FROM REVENUE ACT OF 1978

[Public Law 95-600, 92 Stat. 2763]

SEC. 313. INVESTMENT CREDIT FOR POLLUTION CONTROL FACILITIES.

(a) IN GENERAL.—Paragraph (5) of section 46(c) (relating to applicable percentage in the case of certain pollution control facilities) is amended to read as follows:

“(5) APPLICABLE PERCENTAGE IN THE CASE OF CERTAIN POLLUTION CONTROL FACILITIES.—

(A) IN GENERAL.—Notwithstanding paragraph (2), in the case of property—

“(i) with respect to which an election under section 169 applies, and

“(ii) the useful life of which (determined without regard to section 169) is not less than 5 years.

100 percent shall be the applicable percentage for purposes of applying paragraph (1) with respect to so much of the adjusted basis of the property as (after the application of section 169(f) constitutes the amortizable basis for purposes of section 169.

“(B) SPECIAL RULE WHERE PROPERTY IS FINANCED BY INDUSTRIAL DEVELOPMENT BONDS.—To the extent that any property is financed by the proceeds of an industrial development bond (within the meaning of section 103(b)(2) the interest on which is exempt from tax under section 103, subparagraph (A) shall be applied by substituting ‘50 percent’ for ‘100 percent’.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to—

(1) property acquired by the taxpayer after December 31, 1978, and

(2) property the construction, reconstruction, or erection of which was completed by the taxpayer after December 31, 1978 (but only to the extent of the basis thereof attributable to construction, reconstruction, or erection after such date).

* * * * *

Approved Nov. 6, 1978

ESTABLISHING THE NATIONAL INDUSTRIAL POLLUTION CONTROL COUNCIL

Executive Order 11523

[35 Fed. Reg. 5993]

By virtue of the authority vested in me as President of the United States, and in furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (Public Law 91-190, approved January 1, 1970), it is ordered as follows:

SECTION 1. *Establishment of the Council.* (a) There is hereby established the National Industrial Pollution Control Council (hereinafter referred to as “the Industrial Council”) which shall be composed of a Chairman, a Vice-chairman, and other representatives of business and industry appointed by the Secretary of Commerce (hereinafter referred to as “the Secretary”).

(b) The Secretary, with the concurrence of the Chairman, shall appoint an Executive Director of the Industrial Council.

SEC. 2. *Functions of the Industrial Council.* The Industrial Council shall advise the President and the Chairman of the Council on Environmental Quality, through the Secretary, on programs of industry relating to the quality of the environment. In particular, the Industrial Council may—

(1) Survey and evaluate the plans and actions of industry in the field of environmental quality.

(2) Identify and examine problems of the effects on the environment of industrial practices and the needs of industry for improve-

ments in the quality of the environment, and recommend solutions to those problems.

(3) Provide liaison among members of the business and industrial community on environmental quality matters.

(4) Encourage the business and industrial community to improve the quality of the environment.

(5) Advise on plans and actions of Federal, State, and local agencies involving environmental quality policies affecting industry which are referred to it by the Secretary, or by the Chairman of the Council on Environmental Quality through the Secretary.

SEC. 3. *Subordinate Committee.* The Industrial Council may establish, with the concurrence of the Secretary, such subordinate committees as it may deem appropriate to assist in the performance of its functions. Each subordinate committee shall be headed by a chairman appointed by the Chairman of the Industrial Council with the concurrence of the Secretary.

SEC. 4. *Assistance for the Industrial Council.* In compliance with applicable law, and as necessary to serve the purposes of this order, the Secretary shall provide or arrange for administrative and staff services, support, and facilities for the Industrial Council and any of its subordinate committees.

SEC. 5. *Expenses.* Members of the Industrial Council or any of its subordinate committees shall receive no compensation from the United States by reason of their services hereunder, but may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

SEC. 6. *Regulations.* The provisions of Executive Order No. 11007 of February 26, 1962 (3 CFR 573), prescribing regulations for the formation and use of advisory committees, are hereby made applicable to the Industrial Council and each of its subordinate committees. The Secretary may exercise the discretionary powers set forth in that order.

SEC. 7. *Construction.* Nothing in this order shall be construed as subjecting any Federal agency, or any function vested by law in, or assigned pursuant to law to, any Federal agency to the authority of any other Federal agency or of the Industrial Council or of any of its subordinate committees, or as abrogating or restricting any such function in any manner.

RICHARD NIXON.

THE WHITE HOUSE, April 9, 1970.

ESTABLISHMENT OF THE PACIFIC NORTHWEST RIVER BASINS COMMISSION

Executive Order 11331

[32 Fed. Reg. 3875]

Whereas the Water Resources Planning Act (hereinafter referred to as the Act, 79 Stat. 244, 42 U.S.C. 1962 *et seq.*) authorizes the President to declare the establishment of a river basin water and related land resources commission when a request for such a commission is addressed in writing to the Water Resources Council (hereinafter referred to as the Council) by the Governor of a State within

which all or part of the basin or basins concerned are located and when such a request is concurred in by the Council and by not less than one-half of the States within which portions of the basin or basins concerned are located, and in the event the Columbia River Basin is involved, by at least three of the four States of Idaho, Montana, Oregon, and Washington; and

Whereas the Council, by resolution adopted November 14, 1966, concurred in the requests of the Governors of the States of Oregon, Washington, Idaho, Montana, and Wyoming; and did itself request that the President declare the establishment of the Pacific Northwest River Basins Commission under the provisions of section 201 of the Act; and

Whereas the requests of the Governors of the States of Oregon, Washington, Idaho, Montana, and Wyoming, and the resolution of the Council of November 14, 1966, satisfy the formal requirements of section 201 of the Act; and

Whereas the Governors of the States of California, Nevada, and Utah have been consulted in regard to small headwater areas in these respective States that contribute small quantities of water to or use small quantities of water from the area of jurisdiction of the Commission; and

Whereas it appears that it would be in the public interest and in keeping with the intent of Congress to declare the establishment of such a Commission:

Now, therefore, by virtue of the authority vested in me by section 201 of the Act, and as President of the United States, it is ordered as follows:

SECTION 1. *Pacific Northwest River Basins Commission.* It is hereby declared that the Pacific Northwest River Basins Commission is established under the provisions of Title II of the Act.

SEC. 2. *Jurisdiction of the Commission.* It is hereby determined that the jurisdiction of the Pacific Northwest River Basins Commission referred to in section 1 of this order (hereinafter referred to as the Commission) shall extend to the entire area of the State of Washington; the entire area of the State of Oregon, except that drained by the Klamath River system, the Smith River system, and that area draining into Goose Lake; and those portions of the States of Idaho, Montana, and Wyoming lying within the Columbia River drainage, in accordance with the requests of the Governors of Oregon, Washington, Idaho, Montana, and Wyoming, and in accordance with the resolution of the Council.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with section 202 of the Act, the Commission shall consist of the following:

(1) a Chairman to be appointed by the President,

(2) one member from each of the following Federal departments and agencies: Department of Agriculture, Department of the Army, Department of Commerce, Department of Health, Education, and Welfare, Department of Housing and Urban Development, Department of the Interior, Department of Transportation, Environmental Protection Agency,¹ and the Federal Power Commission, such member

¹ Executive Order 11613 of August 2, 1971, 36 Fed. Reg. 14299, amended sec. 3(2) to designate a representative of the Environmental Protection Agency as a member of the Pacific Northwest River Basins Commission. Sec. 2 of Executive Order 11613 provides that the Administrator of the Environmental Protection Agency shall appoint a member to each river basin commission to serve as the representative of that Agency as soon as practicable after August 2, 1971.

to be appointed by the head of each department or independent agency he represents,

(3) one member from each of the following States: Oregon, Washington, Idaho, Montana, and Wyoming,

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in section 2, and

(5) the Chairman of the United States Entity for the Columbia River Treaty.

SEC. 4. *Functions to be performed.* The Commission and its Chairman, members, and employees are hereby authorized to perform and exercise, with respect to the jurisdiction specified in section 2 of this order, the functions, powers, and duties of such a Commission and of such Chairman, members, and employees, respectively, as set out in Title II of the Act.

SEC. 5. *Consultation with adjoining States.* The Commission is expected to provide for procedures for consultation with the States of California, Nevada, and Utah on any matter which might affect the water and related land resources of the small headwater drainages in each of these States that drain into the area of jurisdiction of the Commission, and to give notice to these States of meetings of the Commission.

SEC. 6. *International Coordination.* The Chairman of the Commission is hereby authorized and directed to refer to the Council any matters under consideration by the Commission which relate to the areas of interest or jurisdiction of the International Joint Commission, United States and Canada. The Council shall consult on these matters as appropriate with the Department of State and the International Joint Commission through its United States Section for the purpose of enhancing international coordination.

SEC. 7. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Council.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 6, 1967.

ESTABLISHMENT OF THE OHIO RIVER BASIN COMMISSION

Executive Order 11578

[36 Fed. Reg. 683]

Whereas the Water Resources Planning Act (79 Stat. 244, 42 U.S.C. 1962 *et seq.*) provides for the establishment of river basin water and related land resources commissions; and

Whereas the Governors of the States of the Ohio River drainage basin, excluding the Tennessee River drainage basin, and the Water Resources Council have requested, or concurred in, the establishment of such a commission:

Now, therefore, by virtue of the authority vested in me by section 201 of the Water Resources Planning Act (42 U.S.C. 1962b), and as President of the United States, it is ordered as follows:

SECTION 1. *Ohio River Basin Commission.* It is hereby declared that the Ohio River Basin Commission is established under the provisions of Title II of the Water Resources Planning Act (42 U.S.C. 1962b *et seq.*).

SEC. 2. *Jurisdiction of the Commission.* It is hereby determined that the jurisdiction of the Ohio River Basin Commission referred to in section 1 of this order shall extend to those portions of the States of Kentucky, Illinois, Indiana, Maryland, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia and West Virginia that are located within the Ohio River drainage basin, excluding the Tennessee River drainage basin.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with section 202 of the Act (42 U.S.C. 1962b-1), the Commission shall consist of the following members:

(1) a Chairman to be appointed by the President,

(2) one member from each of the following Federal departments and agencies: Department of Agriculture, Department of the Army, Department of Commerce, Department of Health, Education, and Welfare, Department of Housing and Urban Development, Department of the Interior, Department of Transportation, Federal Power Commission, Atomic Energy Commission, and the Environmental Protection Agency, such member to be appointed by the head of the department or independent agency he represents,

(3) one member from each of the following States: Kentucky, Illinois, Indiana, Maryland, New York, North Carolina, Ohio, Pennsylvania, Tennessee, and West Virginia, and a member from Virginia when authorized by the legislature of that State, and

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in section 2.

SEC. 4. *Functions, Powers, and Duties.* The Commission and its officers, members, and employees shall perform and exercise, with respect to the area specified in section 2 of this order, their respective functions, powers, and duties as set out in Title II of the Water Resources Planning Act.

SEC. 5. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Water Resources Council.

RICHARD NIXON.

THE WHITE HOUSE, January 31, 1971.

ESTABLISHMENT OF THE GREAT LAKES BASIN COMMISSION

Executive Order 11345

[32 Fed. Reg. 6329]

- Whereas the Water Resources Planning Act (hereinafter referred to as the Act, 79 Stat. 244, 42 U.S.C. 1962 *et seq.*) authorizes the President to declare the establishment of a river basin water and related land resources commission when a request for such a commission is

addressed in writing to the Water Resources Council (hereinafter referred to as the Council) by the Governor of a State within which all or part of the basin or basins concerned are located and when such a request is concurred in by the Council and by not less than one-half of the States within which portions of the basin or basins concerned are located; and

Whereas the Council, by resolution adopted March 7, 1966, concurred in the requests of the Governors of the States of Indiana, Michigan, Minnesota, Ohio, and Wisconsin, which have been concurred in by the Governors of Illinois, New York, and Pennsylvania; and did itself request that the President declare the establishment of the Great Lakes Basin Commission under the provisions of section 201 of the Act; and

Whereas the requests of the Governors of the States of Indiana, Michigan, Minnesota, Ohio, and Wisconsin, and the resolution of the Council of March 7, 1966, together with written concurrences by the Governors of the States of Illinois, New York, and Pennsylvania, satisfy the formal requirements of section 201 of the Act; and

Whereas it appears that it would be in the public interest and in keeping with the intent of Congress to declare the establishment of such a Commission:

Now, therefore, by virtue of the authority vested in me by section 201 of the Act, and as President of the United States, it is ordered as follows:

SECTION 1. *Great Lakes Basin Commission.* It is hereby declared that the Great Lakes Basin Commission is established under the provisions of Title II of the Act.

SEC. 2. *Jurisdiction of Commission.* It is hereby determined that the jurisdiction of the Great Lakes Basin Commission referred to in section 1 of this order (hereinafter referred to as the Commission) shall extend to those portions of the eight Great Lakes States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin that are drained by the St. Lawrence River system, including the Great Lakes, their tributaries, and tributaries to the St. Lawrence River which reach that river within the United States, in accordance with the requests of the Governors of Indiana, Michigan, Minnesota, Ohio, and Wisconsin, concurred in by the Governors of Illinois, New York, and Pennsylvania, and in accordance with the resolution of the Council.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with section 202 of the Act, the Commission shall consist of the following:

- (1) a Chairman to be appointed by the President,
- (2) one member from each of the following Federal departments and agencies: Department of State,¹ Department of Agriculture, De-

¹Executive Order 11646 of February 8, 1972, 37 Fed. Reg. 2925, inserted at this point "Department of State", and also amended sec. 5 to read as set forth in the text. Immediately prior to this amendment sec. 5 reads as follows:

"SEC. 5. *International coordination.* The Chairman of the Commission is hereby authorized and directed to refer to the Council any matters under consideration by the Commission which relate to the areas of interest or jurisdiction of the International Joint Commission, United States and Canada, and the Great Lakes Fishery Commission. The Council shall consult on these matters as appropriate with the Department of State and with the International Joint Commission and the Great Lakes Fishery Commission through their United States Sections for the purpose of enhancing international coordination."

partment of the Army, Department of Commerce, Department of Health, Education, and Welfare, Department of Housing and Urban Development, Department of the Interior, Department of Justice, Department of Transportation, Environmental Protection Agency,¹ and the Federal Power Commission, such member to be appointed by the head of each department or independent agency he represents,

(3) one member from each of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin, and

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in section 2.

SEC. 4. *Functions to be performed.* The Commission and its Chairman, members, and employees are hereby authorized to perform and exercise, with respect to the jurisdiction specified in section 2 of this order, the functions, powers, and duties of such a Commission and of such Chairman, members, and employees, respectively, as set out in Title II of the Act.

SEC. 5. *International Coordination.* The Council and the Department of State shall consult as appropriate on matters under consideration by the Commission which relate to the areas of interest and jurisdiction of the International Joint Commission, United States and Canada, and the Great Lakes Fishery Commission.

SEC. 6. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Council.

LYNDON B. JOHNSON.

THE WHITE HOUSE, April 20, 1967.

ESTABLISHMENT OF THE SOURIS-RED-RAINY RIVER BASINS COMMISSION

Executive Order 11359

[32 Fed. Reg. 8851]

Whereas the Water Resources Planning Act (hereinafter referred to as the Act, 79 Stat. 244, 42 U.S.C. 1962 *et seq.*) authorizes the President to declare the establishment of a river basin water and related land resources commission when a request for such a commission is addressed in writing to the Water Resources Council (hereinafter referred to as the council) by the Governor of a State within which all or part of the basin or basins concerned are located and when such a request is concurred in by the Council and by not less than one-half of the States within which portions of the basin or basins concerned are located; and

Whereas the Council, by resolution adopted December 28, 1966, concurred in the requests of the Governors of the States of Minnesota and North Dakota to which the Governor of South Dakota has given

¹ Executive Order 11613 of August 2, 1971, 36 Fed. Reg. 14299, amended sec. 3(2) to designate a representative of the Environmental Protection Agency as a member of the Great Lakes Basin Commission. Sec. 2 of Executive Order 11613, provides that the Administrator of the Environmental Protection Agency shall appoint a member to each river basin commission to serve as the representative of that Agency as soon as practicable after August 2, 1971.

his concurrence, and did itself request that the President declare the establishment of the Souris-Red-Rainy River Basins Commission under the provisions of section 201 of the Act; and

Whereas the requests of the Governors of the States of Minnesota and North Dakota and the resolution of the Council of December 28, 1966, together with written concurrence by the Governor of South Dakota, satisfy the formal requirements of section 201 of the Act; and

Whereas the Governors of the States of Minnesota and North Dakota have agreed to, and the Governor of South Dakota has concurred in, conditions relating to consolidation and termination of this Commission; and

Whereas the Governor of the State of Montana has been consulted in regard to the small headwater area of the Souris River Basin in Montana that contributes a small quantity of water to the area of jurisdiction of the Commission; and

Whereas it appears that it would be in the public interest and in keeping with the intent of Congress to declare the establishment of such a Commission:

Now, therefore, by virtue of the authority vested in me by section 201 of the Act, and as President of the United States, it is ordered as follows:

SECTION 1. *Souris-Red-Rainy River Basins Commission.* It is hereby declared that the Souris-Red-Rainy River Basins Commission is established under the provisions of Title II of the Act.

SEC. 2. *Jurisdiction of the Commission.* It is hereby determined that the jurisdiction of the Souris-Red-Rainy River Basins Commission referred to in section 1 of this order (hereinafter referred to as the Commission) shall extend to those portions of the States of Minnesota, North Dakota, and South Dakota that are drained by the Souris-Red-Rainy Rivers system, in accordance with the requests of the Governors of Minnesota and North Dakota, concurred in by the Governor of South Dakota, and in accordance with the resolution of the Council.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with section 202 of the Act, the Commission shall consist of the following:

- (1) a Chairman to be appointed by the President,
- (2) one member from each of the following Federal departments and agencies: Department of Agriculture, Department of the Army, Department of Commerce, Department of Health, Education, and Welfare, Department of Housing and Urban Development, Department of the Interior, Department of Transportation, Environmental Protection Agency,¹ and the Federal Power Commission, such member to be appointed by the head of each department or independent agency he represents,
- (3) one member from each of the following States: Minnesota, North Dakota, and South Dakota, and

¹ Executive Order 11613 of August 2, 1971, 36 Fed. Reg. 14299, amended sec. 3(2) to designate a representative of the Environmental Protection Agency as a member of the Souris-Red-Rainy River Basins Commission. Sec. 2 of Executive Order 11613, provides that the Administrator of the Environmental Protection Agency shall appoint a member to each river basin commission to serve as the representative of that Agency as soon as practicable after August 2, 1971.

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in section 2.

SEC. 4. *Functions to be performed.* The Commission and its Chairman, members, and employees are hereby authorized to perform and exercise, with respect to the jurisdiction specified in section 2 of this order, the functions, powers, and duties of such a Commission and of such Chairman, members, and employees, respectively, as set out in Title II of the Act.

SEC. 5. *Consultation with adjoining States.* The Commission is expected to provide for procedures for consultation with the State of Montana on any matter which might affect the water and related land resources of the small headwater drainage of the Souris River Basin in Montana, and to give notice to Montana of meetings of the Commission.

SEC. 6. *International coordination.* The Chairman of the Commission is hereby authorized and directed to refer to the Council any matters under consideration by the Commission which relate to the areas of interest or jurisdiction of the International Joint Commission, United States and Canada. The Council shall consult on these matters as appropriate with the Department of State and the International Joint Commission through its United States Section for the purpose of enhancing international coordination.

SEC. 7.¹ *Termination.* The Commission shall terminate on June 30, 1973, unless, upon recommendation of both the Council and not less than one-half the number of member States, this order is extended.

SEC. 8. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Council.

LYNDON B. JOHNSON.

THE WHITE HOUSE, June 20, 1967.

ESTABLISHMENT OF THE NEW ENGLAND RIVER BASINS COMMISSION

Executive Order 11371

[32 Fed. Reg. 12903]

Whereas the Water Resources Planning Act (hereinafter referred to as the Act, 79 Stat. 244, 42 U.S.C. 1962 *et seq.*) authorizes the President to declare the establishment of a river basin water and related land resources commission when a request for such a commission is addressed in writing to the Water Resources Council (hereinafter referred to as the Council) by the Governor of a State within which all or part of the basin or basins concerned are located and when such a request is concurred in by the Council and by not less than one-half of the States within which portions of the basin or basins concerned are located; and

Whereas the Council, by resolution adopted October 14, 1965, concurred in the request of the Governor of the State of Maine, as Chairman of the New England Governors' Conference, and did itself request that the President declare the establishment of the New Eng-

¹ Executive Order 11635 of December 9, 1971, 36 Fed. Reg. 23615, amended sec. 7 to continue the Souris-Red-Rainy River Basins Commission for one year from June 30, 1972, to June 30, 1973.

land River Basins Commission under the provisions of section 201 of the Act; and

Whereas the request of the Governor of the State of Maine and the resolution of the Council of October 14, 1965, together with written concurrences by the Governors of the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, and New York, satisfy the formal requirements of section 201 of the Act; and

Whereas it appears that it would be in the public interest and in keeping with the intent of Congress to declare the establishment of such a Commission:

Now, therefore, by virtue of the authority vested in me by section 201 of the Act, and as President of the United States, it is ordered as follows:

SECTION 1. *New England River Basins Commission.* It is hereby declared that the New England River Basins Commission is established under the provisions of Title II of the Act.

SEC. 2. *Jurisdiction of Commission.* (a) It is hereby determined that the jurisdiction of the New England River Basins Commission referred to in section 1 of this order (hereinafter referred to as the Commission) shall extend to an area composed as follows:

- (1) The State of Maine,
- (2) The State of New Hampshire,
- (3) The State of Vermont, excluding that portion thereof which is within the drainage area of the Hudson River and excluding also that portion thereof which is within the drainage area of Lake Champlain,
- (4) The State of Massachusetts, excluding that portion thereof which is within the drainage area of the Hudson River,
- (5) The State of Connecticut,
- (6) The State of Rhode Island,
- (7) (i) That portion of the State of New York which is within the drainage area of the Housatonic River, and (ii) that portion of Long Island¹ (excluding New York City) in the State of New York which is within the drainage area of Long Island Sound, and
- (8) Long Island Sound¹ except the portion thereof which lies west of a line extended from the Connecticut-New York boundary at the northern shore of the Sound to the New York City-Nassau County boundary at the southern shore of the Sound.

(b) The determination set forth in subsection (a) of this section is made in accordance with the request of the Commission, and is concurred in by the Water Resources Council and by the Governors of the States within the jurisdiction of the Commission.

SEC. 3. *Membership of Commission.* It is hereby determined, in accordance with section 202 of the Act, that the Commission shall consist of the following:

- (1) a Chairman to be appointed by the President,
- (2) one member from each of the following Federal departments and agencies: Department of Agriculture; Department of the Army; Department of Commerce; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Department of the Interior; Department of Transportation; Environmental

¹ Executive Order 11528 of April 24, 1970, 35 Fed. Reg. 6695, amended sec. 2 to include within the jurisdiction of the Commission certain portions of Long Island and Long Island Sound in the State of New York.

Protection Agency;¹ Atomic Energy Commission;² and Federal Power Commission; each such member to be appointed by the head of each department or independent agency he represents,

(3) one member from each of the following States; Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, and New York, and

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in section 2.

SEC. 4. *Functions to be performed.* The Commission and its Chairman, members, and employees are hereby authorized to perform and exercise, with respect to the jurisdiction specified in section 2 of this order, the functions, powers, and duties of such a Commission and of such Chairman, members, and employees, respectively, as set out in Title II of the Act.

SEC. 5. *International coordination.* The Chairman of the Commission is hereby authorized and directed to refer to the Council any matters under consideration by the Commission which relate to the areas of interest or jurisdiction of the International Joint Commission, United States and Canada. The Council shall consult on these matters as appropriate with the Department of State and the International Joint Commission through its United States Section for the purpose of enhancing international coordination.

SEC. 6. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Council.

LYNDON B. JOHNSON.

THE WHITE HOUSE, September 6, 1967.

ESTABLISHMENT OF THE UPPER MISSISSIPPI RIVER BASIN COMMISSION

Executive Order 11659

[37 Fed. Reg. 6047]

The Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 *et seq.*) provides for the establishment of river basin water and related land resources commissions. In conformity with the requirements of that act the Governors of the States of the Upper Mississippi River drainage basin, as defined in Section 2 of this order, and the Water Resources Council have requested, or concurred in, the establishment of such a Commission.

Now, therefore, by virtue of the authority vested in me by Section 201 of the Water Resources Planning Act (42 U.S.C. 1962b), and as President of the United States, it is ordered as follows:

SECTION 1. *Upper Mississippi River Basin Commission.* It is hereby declared that the Upper Mississippi River Basin Commission is established under the provisions of Title II of the Water Resources Planning Act (42 U.S.C. 1962b *et seq.*).

¹ Executive Order 11613 of August 2, 1971, 36 Fed. Reg. 14299, amended sec. 3(2) to designate a representative of the Environmental Protection Agency as a member of the New England River Basins Commission. Sec. 2 of Executive Order 11613, provides that the Administrator of the Environmental Protection Agency shall appoint a member to each river basin commission to serve as the representative of that Agency as soon as practicable after August 2, 1971.

² Executive Order 11528, amended sec. 3(2) to designate a representative of the Atomic Energy Commission as a member of the New England River Basins Commission.

SEC. 2. *Jurisdiction of the Commission.* It is hereby determined that the jurisdiction of the Upper Mississippi River Basin Commission referred to in Section 1 of this order shall extend to those portions of the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin that are located within the Upper Mississippi River drainage basin, defined as the drainage basin of the Mississippi River above the mouth of the Ohio River, excluding the drainage basin of the Missouri River above a point immediately below the mouth of the Gasconade River.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with Section 202 of the Act (42 U.S.C. 1962b-1), the Commission shall consist of the following members:

(1) a Chairman to be appointed by the President,

(2) one member from each of the following Federal departments and agencies: Department of Agriculture; Department of the Army; Department of Commerce; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Department of the Interior; Department of Transportation; Federal Power Commission; Atomic Energy Commission; and the Environmental Protection Agency; such member to be appointed by the head of the department or independent agency he represents.

(3) one member from each of the following States: Illinois, Iowa, Minnesota, Missouri, and Wisconsin.

(4) one member from each interstate agency created by an interstate compact to which the consent of Congress has been given and whose jurisdiction extends to the waters of the area specified in Section 2.

SEC. 4. *Functions, Powers, and Duties.* The Commission and its officers, members, and employees shall perform and exercise, with respect to the area specified in Section 2 of this order, their respective functions, powers, and duties as set out in Title II of the Water Resources Planning Act.

SEC. 5. *Consultation with Adjoining States.* The Commission is expected to provide for procedures for consultation with the States of Indiana, Michigan, and South Dakota on any matter which might affect the water and related land resources of the headwater drainages of the Mississippi River Basin in those States and to give notice to those States of meetings of the Commission.

SEC. 6. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Water Resources Council.

RICHARD NIXON.

THE WHITE HOUSE, March 22, 1972.

ESTABLISHMENT OF THE MISSOURI RIVER BASIN COMMISSION

Executive Order 11658

[37 Fed. Reg. 6045]

The Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 *et seq.*) provides for the establishment of river basin water and related land resources commissions. In conformity with the requirements of that act a majority of the Governors of the States of the Missouri River drainage basin, as defined in Section 2 of this order, and the

Water Resources Council have requested, or concurred in, the establishment of such a Commission.

Now, therefore, by virtue of the authority vested in me by Section 201 of the Water Resources Planning Act (42 U.S.C. 1962b), and as President of the United States, it is ordered as follows:

SECTION 1. *Missouri River Basin Commission.* It is hereby declared that the Missouri River Basin Commission is established under the provisions of Title II of the Water Resources Planning Act (42 U.S.C. 1962b *et seq.*).

SEC. 2. *Jurisdiction of the Commission.* It is hereby determined that the jurisdiction of the Missouri River Basin Commission referred to in Section 1 of this order shall extend to the State of Nebraska and those portions of the States of Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, North Dakota, South Dakota, and Wyoming that are located within the Missouri River drainage basin, defined as the drainage basin of the Missouri River above a point immediately below the mouth of the Gasconade River.

SEC. 3. *Membership of the Commission.* It is hereby determined that, in accordance with Section 202 of the Act (42 U.S.C. 1962b-1), the Commission shall consist of the following members:

(1) a Chairman to be appointed by the President,
(2) one member from each of the following Federal departments and agencies: Department of Agriculture; Department of the Army; Department of Commerce; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Department of the Interior; Department of Transportation; Federal Power Commission; Atomic Energy Commission; and the Environmental Protection Agency; such member to be appointed by the head of the department or independent agency he represents.

(3) one member from each of the following States: Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.

(4) one member from each interstate agency created by an interstate compact to which the consent of the Congress has been given and whose jurisdiction extends to the waters of the area specified in Section 2.

SEC. 4. *Functions, Powers, and Duties.* The Commission and its officers, members, and employees shall perform and exercise, with respect to the area specified in Section 2 of this order, their respective functions, powers, and duties as set out in Title II of the Water Resources Planning Act.

SEC. 5. *International Coordination.* The Chairman of the Commission is hereby authorized and directed to refer to the Water Resources Council any matters under consideration by the Commission which relate to areas of interest or jurisdiction of the International Joint Commission, United States and Canada. The Council shall consult on these matters as appropriate with the Department of State and the International Joint Commission through its United States Section for the purpose of enhancing international coordination.

SEC. 6. *Reporting to the President.* The Chairman of the Commission shall report to the President through the Water Resources Council.

RICHARD NIXON.

THE WHITE HOUSE, March 22, 1972.

ENVIRONMENT

EXCERPTS FROM ENDANGERED SPECIES ACT OF 1973¹

INTERAGENCY COOPERATION

SEC. 7. (a) CONSULTATION.—The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purposes of this Act. All other Federal agencies shall, in consultation with and with the assistance of the Secretary, utilize their authorities in furtherance of the purposes of this Act by carrying out programs for the conservation of endangered species and threatened species listed pursuant to section 4 of this Act. Each Federal agency shall, in consultation with and with the assistance of the Secretary, insure that any action authorized, funded, or carried out by such agency (hereinafter in this section referred to as an “agency action”) does not jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of habitat of such species which is determined by the Secretary, after consultation as appropriate with the affected States, to be critical, unless such agency has been granted an exemption for such action by the Committee pursuant to subsection (h) of this section.

(b) SECRETARY'S OPINION.—Consultation under subsection (a) with respect to any agency action shall be concluded within 90 days after the date on which initiated or within such other period of time as is mutually agreeable to the Federal agency and the Secretary. Promptly after the conclusion of consultation, the Secretary shall provide to the Federal agency concerned a written statement setting forth the Secretary's opinion, and a summary of the information on which the opinion is based, detailing how the agency action affects the species or its critical habitat. The Secretary shall suggest those reasonable and prudent alternatives which he believes would avoid jeopardizing the continued existence of any endangered or threatened species or adversely modifying the critical habitat of such species, and which can be taken by the Federal agency or the permit or license applicant in implementing the agency action.

(c) BIOLOGICAL ASSESSMENT.—To facilitate compliance with the requirements of subsection (a), each Federal agency shall, with respect to any agency action of such agency for which no contract for construction has been entered into and for which no construction has begun on the date of enactment of the Endangered Species Act Amendments of 1978, request of the Secretary information whether any species which is listed or proposed to be listed may be present in the area of such proposed action. If the Secretary advises, based on the best scientific and commercial data available, that such species may be present, such agency shall conduct a biological assessment for the purpose of identifying any endangered species or threatened species which is likely to be affected by such action. Such assessment shall be completed within 180 days after the date on which initiated (or within such other period as is mutually agreed to by the Secretary and such agency) and, before any contract for construction is entered into and before construction is begun with respect to such action. Such assessment may be undertaken as part of a Federal agency's compliance with the requirements of section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

¹ As amended by Public Law 95-632, 16 U.S.C. § 1536, approved November 10, 1978.

(d) **LIMITATION ON COMMITMENT OF RESOURCES.**—After initiation of consultation required under subsection (a), the Federal agency and the permit or license applicant shall not make any irreversible or irretrievable commitment of resources with respect to the agency action which has the effect of foreclosing the formulation or implementation of any reasonable and prudent alternative measures which would avoid jeopardizing the continued existence of any endangered or threatened species or adversely modifying or destroying the critical habitat of any such species.

(e) (1) **ESTABLISHMENT OF COMMITTEE.**—There is established a committee to be known as the Endangered Species Committee (hereinafter in this section referred to as the "Committee").

(2) The Committee shall review any application submitted to it pursuant to this section and determine in accordance with subsection (h) of this section whether or not to grant an exemption from the requirements of subsection (a) of this section for the action set forth in such application.

* * * * *

(f) **REGULATIONS.**—Not later than 90 days after the date of enactment of the Endangered Species Act Amendments of 1978, the Secretary shall promulgate regulations which set forth the form and manner in which applications for exemption shall be submitted to the Secretary and the information to be contained in such applications. Such regulations shall require that information submitted in an application by the head of any Federal agency with respect to any agency action include, but not be limited to—

(1) a description of the consultation process carried out pursuant to subsection (a) of this section between the head of the Federal agency and the Secretary; and

(2) a statement describing why such action cannot be altered or modified to conform with the requirements of subsection (a) of this section.

(g) **APPLICATION FOR EXEMPTION AND CONSIDERATION BY REVIEW BOARD.**—(1) A Federal agency, the Governor of the State in which an agency action will occur, if any, or a permit or license applicant may apply to the Secretary for an exemption for an agency action of such agency if, after consultation under subsection (a), the Secretary's opinion under subsection (b) indicates that the agency action may jeopardize the continued existence of any endangered or threatened species or destroy or adversely modify the critical habitat of such species. An application for an exemption shall be considered initially by a review board in the manner provided in this subsection, and shall be considered by the Endangered Species Committee for a final determination under subsection (h) after a report is made by the review board. The applicant for an exemption shall be referred to as the "exemption applicant" in this section.

(2) (A) An exemption applicant shall submit a written application to the Secretary, in a form prescribed under subsection (f) of this section, not later than 90 days after the completion of the consultation process. Such application shall set forth the reasons why the exemption applicant considers that the agency action meets the requirements for an exemption under this subsection.

ENVIRONMENT

(B) Upon receipt of an application for exemption for an agency action under paragraph (1), the Secretary shall promptly notify the Governor of each affected State, if any, as determined by the Secretary, and request the Governors so notified to recommend individuals to be appointed to the review board to be established under paragraph (3) and to the Endangered Species Committee for consideration of such application.

* * * * *

(n) JUDICIAL REVIEW.—Any person, as defined by section 3(13) or this Act, may obtain judicial review, under chapter 7 of title 5 of the United States Code, of any decision of the Endangered Species Committee under subsection (h) in the United States Court of Appeals for (1) any circuit wherein the agency action concerned will be, or is being, carried out, or (2) in any case in which the agency action will be, or is being, carried out outside of any circuit, the District of Columbia, by filing in such court within 90 days after the date of issuance of the decision, a written petition for review. A copy of such petition shall be transmitted by the clerk of the court to the Committee and the Committee shall file in the court the record in the proceeding, as provided in section 2112, of title 28, United States Code. Attorneys designated by the Endangered Species Committee may appear for, and represent the Committee in any action for review under this subsection.

(o) EXCEPTION ON TAKING.—Notwithstanding sections 4(d) and 9(a) of this Act or any regulations promulgated pursuant to such sections, any action for which an exemption is granted under subsection (h) of this section shall not be considered a taking of any endangered or threatened species with respect to any activity which is necessary to carry out such action.

* * * * *

DISASTER ASSISTANCE

Executive Order 12127 of March 31, 1979

FEDERAL EMERGENCY MANAGEMENT AGENCY

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 304 of Reorganization Plan No. 3 of 1978, and in order to provide for the orderly activation of the Federal Emergency Management Agency, it is hereby ordered as follows:

1-101. Reorganization Plan No. 3 of 1978 (43 FR 41943), which establishes the Federal Emergency Management Agency, provides for the transfer of functions, and the transfer and abolition of agencies and offices, is hereby effective.

1-102. The Director of the Office of Management and Budget shall, in accord with Section 302 of the Reorganization Plan, provide for all the appropriate transfers, including those transfers related to all the functions transferred from the Department of Commerce, the Department of Housing and Urban Development, and the President.

1-103. (a) The functions transferred from the Department of Commerce are those vested in the Secretary of Commerce, the Administrator and Deputy Administrator of the National Fire Prevention and Control Administration (now the United States Fire Administration (Sec. 2(a) of Public Law 95-122)), and the Superintendent of the National Academy for Fire Prevention and Control pursuant to the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 *et seq.*) but not including any functions vested by the amendments made to other acts by Sections 18 and 23 of that Act (15 U.S.C. 278f and 1511). The functions vested in the Administrator by Sections 24 and 25 of that Act, as added by Sections 3 and 4 of Public Law 95-422 (15 U.S.C. 2220 and 2221), are not transferred to the Director of the Federal Emergency Management Agency. Those functions are transferred with the Administrator and remain vested in him. (Section 201 of the Plan.)

(b) There was also transferred from the Department of Commerce any function concerning the Emergency Broadcast System which was transferred to the Secretary of Commerce by Section 5B of Reorganization Plan No. 1 of 1977 (42 FF 56101; implemented by Executive Order No. 12046 of March 27, 1978). (Section 203 of the Plan.)

1-104. The functions transferred from the Department of Housing and Urban Development are those vested in the Secretary of Housing and Urban Development pursuant to Section 15(e) of the Federal Flood Insurance Act of 1956, as amended (42 U.S.C. 2414(e)), and the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 *et seq.*), and Section 520(b) of the National Housing Act, as amended (12 U.S.C. 1735d(b)), to the extent necessary to borrow from the Treasury to make payments for reinsured and directly insured losses, and Title XII of the National Housing Act, as amended (12 U.S.C. 1749bbb *et seq.*, and as explained in Section 1 of the National Insurance Development Act of 1975 (Section 1 of Public Law 94-13 at 12 U.S.C. 1749bbb note)). (Section 202 of the Plan.)

1-105. The functions transferred from the President are those concerning the Emergency Broadcast System which were transferred to the President by Section 5 of Reorganization Plan No. 1 of 1977 (42 FR 56101; implemented by Executive Order No. 12046 of March 27, 1978). (Section 203 of the Plan.)

1-106. This Order shall be effective Sunday, April 1, 1979.

JIMMY CARTER.

THE WHITE HOUSE, *March 31, 1979.*

EXCERPT FROM DISASTER RELIEF ACT OF 1974

[Public Law 93-288, 88 Stat. 143]

AN ACT Entitled the "Disaster Relief Act Amendments of 1974".

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1974".

TITLE I—FINDINGS, DECLARATIONS, AND DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and

(2) because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing disaster relief programs;

(2) encouraging the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by the States and by local governments;

(3) achieving greater coordination and responsiveness of disaster preparedness and relief programs;

(4) encouraging individuals, States, and local governments to protect themselves by obtaining insurance coverage to supplement or replace governmental assistance;

(5) encouraging hazard mitigation measures to reduce losses from disasters, including development of land use and construction regulations;

(6) providing Federal assistance programs for both public and private losses sustained in disasters; and

(7) providing a long-range economic recovery program for major disaster areas.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "Emergency" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snow storm, drought, fire, explosion, or other catastrophe in any part of the United States which requires Federal emergency assistance to supplement State and local efforts to save lives and protect property, public health and safety or to avert or lessen the threat of a disaster.

(2) "Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President, causes damage of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

(3) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

(4) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, or the Trust Territory of the Pacific Islands.

(5) "Governor" means the chief executive of any State.

(6) "Local government" means (A) any county, city, village, town, district, or other political subdivision of any State, any Indian tribe or authorized tribal organization, or Alaska Native village or organization, and (B) includes any rural community or unincorporated town or village or any other public entity for which an application for assistance is made by a State or political subdivision thereof.

(7) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, including the United States Postal Service, but shall not include the American National Red Cross.

TITLE II—DISASTER PREPAREDNESS ASSISTANCE

FEDERAL AND STATE DISASTER PREPAREDNESS PROGRAMS

SEC. 201. (a) The President is authorized to establish a program of disaster preparedness that utilizes services of all appropriate agencies (including the Defense Civil Preparedness Agency) and includes—

(1) preparation of disaster preparedness plans for mitigation, warning, emergency operations, rehabilitation, and recovery;

(2) training and exercises;

(3) postdisaster critiques and evaluations;

(4) annual review of programs;

(5) coordination of Federal, State, and local preparedness programs;

(6) application of science and technology;

(7) research.

(b) The President shall provide technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance, and mitigation; for assistance to individuals, businesses, and State and local governments following such disasters; and for recovery of damaged or destroyed public and private facilities.

(c) Upon application by a State, the President is authorized to make grants, not to exceed in the aggregate to such State \$250,000, for the development of plans, programs, and capabilities for disaster preparedness and prevention. Such grants shall be applied for within one year from the date of enactment of this Act. Any State desiring financial assistance under this section shall designate or create an agency to plan and administer such a disaster preparedness program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against and assistance following, emergencies and major disasters, including provisions for assistance to individuals, businesses, and local governments; and

(2) include provisions for appointment and training of appropriate staffs, formulation of necessary regulations and procedures and conduct of required exercises.

(d) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

DISASTER WARNINGS

SEC. 202. (a) The President shall insure that all appropriate Federal agencies are prepared to issue warnings of disasters to State and local officials.

(b) The President shall direct appropriate Federal agencies to provide technical assistance to State and local governments to insure that timely and effective disaster warning is provided.

(c) The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2281(c)), or any other Federal communications system for the purpose of providing warning to governmental authorities and the civilian population in areas endangered by disasters.

(d) The President is authorized to enter into agreements with the officers or agents of any private or commercial communications system who volunteer the use of their systems on a reimbursable or nonreimbursable basis for the purpose of providing warning to governmental authorities and the civilian population endangered by disasters.

TITLE III—DISASTER ASSISTANCE ADMINISTRATION

PROCEDURES

SEC. 301. (a) All requests for a determination by the President that an emergency exists shall be made by the Governor of the affected State. Such request shall be based upon the Governor's finding that the

situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. The Governor's request will furnish information describing State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may determine that an emergency exists which warrants Federal assistance.

(b) All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of this request, and as a prerequisite to major disaster assistance under the Act, the Governor shall take appropriate action under State law and direct execution of the State's emergency plan. He shall furnish information on the extent and nature of State resources which have been or will be used to alleviate the conditions of the disaster, and shall certify that for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) will constitute the expenditure of a reasonable amount of the funds of such State and local governments for alleviating the damage, loss, hardship, or suffering resulting from such disaster. Based upon such Governor's request, the President may declare that a major disaster exists, or that an emergency exists.

FEDERAL ASSISTANCE

SEC. 302. (a) In the interest of providing maximum mobilization of Federal assistance under this Act, the President shall coordinate, in such manner as he may determine, the activities of all Federal agencies providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local disaster assistance efforts. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(b) Any Federal agency charged with the administration of a Federal assistance program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.

(c) Notwithstanding any other provision of law, any repair, restoration, reconstruction, or replacement of farm fencing damaged or destroyed as a result of any major disaster shall be considered an emergency conservation measure eligible for payments under chapter I of the Third Supplemental Appropriation Act, 1957, or any other provision of law.

COORDINATING OFFICERS

SEC. 303. (a) Immediately upon his declaration of a major disaster, the President shall appoint a Federal coordinating officer to operate in the affected area.

(b) In order to effectuate the purposes of this Act, the Federal coordinating officer, within the affected area, shall—

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the President;

(3) coordinate the administration of relief, including activities of the State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the President, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

(c) When the President determines assistance under this Act is necessary, he shall request that the Governor of the affected State designate a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

EMERGENCY SUPPORT TEAMS

SEC. 304. The President shall form emergency support teams of Federal personnel to be deployed in an area affected by a major disaster or emergency. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to this Act. Upon request of the President, the head of any Federal agency is directed to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the President, such personnel within the administrative jurisdiction of the head of the Federal agency as the President may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

EMERGENCY ASSISTANCE

SEC. 305. (a) In any emergency, the President may provide assistance to save lives and protect property and public health and safety.

(b) The President may provide such emergency assistance by directing Federal agencies to provide technical assistance and advisory personnel to the affected State to assist the State and local governments in—

(1) the performance of essential community services; warning of further risks and hazards; public information and assistance

in health and safety measures; technical advice on management and control; and reduction of immediate threats to public health and safety; and

(2) the distribution of medicine, food, and other consumable supplies, or emergency assistance.

(c) In addition, in any emergency, the President is authorized to provide such other assistance under this Act as the President deems appropriate.

COOPERATION OF FEDERAL AGENCIES IN RENDERING DISASTER ASSISTANCE

SEC. 306. (a) In any major disaster or emergency, Federal agencies are hereby authorized, on the direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies, including that determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government, to State and local governments for use or distribution by them for the purposes of this Act; and

(4) Performing on public or private lands or waters any emergency work or services essential to save lives and to protect and preserve property, public health and safety, including but not limited to: search and rescue, emergency medical care, emergency mass care, emergency shelter, and provisions of food, water, medicine, and other essential needs, including movement of supplies or persons; clearance of roads and construction of temporary bridges necessary to the performance of emergency tasks and essential community services; provision of temporary facilities for schools and other essential community services; demolition of unsafe structures that endanger the public; warning of further risks and hazards; public information and assistance on health and safety measures; technical advice to State and local governments on disaster management and control; reduction of immediate threats to life, property, and public health and safety; and making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

(b) Work performed under this section shall not preclude additional Federal assistance under any other section of this Act.

REIMBURSEMENT

SEC. 307. Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services

or supplies furnished under the authority of this Act shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

NONLIABILITY

SEC. 308. The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this Act.

PERFORMANCE OF SERVICES

SEC. 309. (a) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government.

(b) In performing any services under this Act, any Federal agency is authorized—

(1) to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service;

(2) to employ experts and consultants in accordance with the provisions of section 3109 of such title, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; and

(3) to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 310. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 311. (a) The President shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out Federal assistance functions at the site of a major disaster or emergency. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and

other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status.

(b) As a condition of participation in the distribution of assistance or supplies under this Act or of receiving assistance under section 402 or 404 of this Act, governmental bodies and other organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the President, and such other regulations applicable to activities within an area affected by a major disaster or emergency as he deems necessary for the effective coordination of relief efforts.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 312. (a) In providing relief and assistance under this Act, the President may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services housing and essential facilities, whenever the President finds that such utilization is necessary.

(b) The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster or emergency. Any such agreement shall include provisions assuring that use of Federal facilities, supplies, and services will be in compliance with regulations prohibiting duplication of benefits and guaranteeing nondiscrimination promulgated by the President under this Act, and such other regulation as the President may require.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 313. (a) In the processing of applications for assistance, priority and immediate consideration shall be given by the head of the appropriate Federal agency, during such period as the President shall prescribe, to applications from public bodies situated in areas affected by major disasters, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities;

(5) section 306 of the Consolidated Farmers Home Administration Act;

(6) the Public Works and Economic Development Act of 1965, as amended;

(7) the Appalachian Regional Development Act of 1965, as amended; or

(8) title II of the Federal Water Pollution Control Act, as amended.

(b) In the obligation of discretionary funds or funds which are not allocated among the States or political subdivisions of a State, the Secretary of Housing and Urban Development and the Secretary of Commerce shall give priority to applications for projects in major disaster areas in which a Recovery Planning Council has been designated pursuant to title VIII of the Public Works and Economic Development Act of 1965.

INSURANCE

SEC. 314. (a) (1) An applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall comply with regulations prescribed by the President to assure that, with respect to any property to be replaced, restored, repaired, or constructed with such assistance, such types and extent of insurance will be obtained and maintained as may be reasonably available, adequate, and necessary to protect against future loss to such property.

(2) In making his determination with respect to such availability, adequacy and necessity, the President shall not require greater types and extent of insurance than are certified to him as reasonable by the appropriate State insurance commissioner responsible for regulation of such insurance.

(b) No applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall receive such assistance for any property or part thereof for which he has previously received assistance under this Act unless all insurance required pursuant to this section has been obtained and maintained with respect to such property.

(c) A State may elect to act as a self-insurer with respect to any or all of the facilities belonging to it. Such an election, if declared in writing at the time of accepting assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, or subsequently, and accompanied by a plan for self-insurance which is satisfactory to the President, shall be deemed compliance with subsection (a) of this section. No such self-insurer shall receive assistance under such sections for any property or part thereof for which it has previously received assistance under this Act, to the extent that insurance for such property or part thereof would have been reasonably available.

DUPLICATION OF BENEFITS

SEC. 315. (a) The President, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The President shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the President determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

REVIEWS AND REPORTS

SEC. 316. The President shall conduct annual reviews of the activities of Federal agencies and State and local governments providing disaster preparedness and assistance, in order to assure maximum coordination and effectiveness of such programs, and shall from time to time report thereon to the Congress.

CRIMINAL AND CIVIL PENALTIES

SEC. 317. (a) Any individual who fraudulently or willfully misstates any fact in connection with a request for assistance under this Act shall be fined not more than \$10,000 or imprisoned for not more than one year or both for each violation.

(b) Any individual who knowingly violates any order or regulation under this Act shall be subject to a civil penalty of not more than \$5,000 for each violation.

(c) Whoever knowingly misapplies the proceeds of a loan or other cash benefit obtained under any section of this Act shall be subject to a fine in an amount equal to one and one-half times the original principal amount of the loan or cash benefit.

AVAILABILITY OF MATERIALS

SEC. 318. The President is authorized, at the request of the Governor of an affected State, to provide for a survey of construction materials needed in the area affected by a major disaster on an emergency basis for housing repairs, replacement housing, public facilities repairs and replacement, farming operations, and business enterprises and to take appropriate action to assure the availability and fair distribution of needed materials, including, where possible, the allocation of such materials for a period of not more than one hundred and eighty days after such major disaster. Any allocation program shall be implemented by the President to the extent possible, by working with and through those companies which traditionally supply construction materials in the affected area. For the purposes of this section "construction materials" shall include building materials and materials required for repairing housing, replacement housing, public facilities repairs and replacement, and for normal farm and business operations.

TITLE IV—FEDERAL DISASTER ASSISTANCE
PROGRAMS

FEDERAL FACILITIES

SEC. 401. (a) The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes, or the obtaining of congressional committee approval.

(b) In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

(c) In implementing this section, Federal agencies shall evaluate the natural hazards to which these facilities are exposed and shall take appropriate action to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President.

REPAIR AND RESTORATION OF DAMAGED FACILITIES

SEC. 402. (a) The President is authorized to make contributions to State or local governments to help repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster.

(b) The President is also authorized to make grants to help repair, restore, reconstruct, or replace private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged or disabled, and facilities on Indian reservations as defined by the President, which were damaged or destroyed by a major disaster.

(c) For those facilities eligible under this section which were in the process of construction when damaged or destroyed by a major disaster, the grant shall be based on the net costs of restoring such facilities substantially to their predisaster condition.

(d) For the purposes of this section, "public facility" includes any publicly owned flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, any other public building, structure, or system including those used for educational or recreational purposes, and any park.

(e) The Federal contribution for grants made under this section shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications, and standards.

(f) In those cases where a State or local government determines that public welfare would not be best served by repairing, restoring, reconstructing, or replacing particular public facilities owned or controlled by that State or that local government which have been damaged or destroyed in a major disaster, it may elect to receive, in lieu of the contribution described in subsection (e) of this section, a contribution based on 90 per centum of the Federal estimate of the total cost of repairing, restoring, reconstructing, or replacing all damaged facilities owned by it within its jurisdiction. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards. Funds contributed under this subsection may be expended either to repair or restore certain selected damaged public facilities or to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area.

DEBRIS REMOVAL

SEC. 403. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters; and

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

TEMPORARY HOUSING ASSISTANCE

SEC. 404. (a) The President is authorized to provide, either by purchase or lease, temporary housing, including, but not limited to, unoccupied habitable dwellings, suitable rental housing, mobile homes or other readily fabricated dwellings for those who, as a result of a major disaster, require temporary housing. During the first twelve months of occupancy no rentals shall be established for any such accommodations, and thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided either by the State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. The President may authorize installation of essential utilities at Federal expense and he may elect to provide other more economical

or accessible sites when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to such disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

(c) In lieu of providing other types of temporary housing after a major disaster, the President is authorized to make expenditures for the purpose of repairing or restoring to a habitable condition owner-occupied private residential structures made uninhabitable by a major disaster which are capable of being restored quickly to a habitable condition with minimal repairs. No assistance provided under this section may be used for major reconstruction or rehabilitation of damaged property.

(d) (1) Notwithstanding any other provision of law, any temporary housing acquired by purchase may be sold directly to individuals and families who are occupants of temporary housing at prices that are fair and equitable, as determined by the President.

(2) The President may sell or otherwise make available temporary housing units directly to States, other governmental entities, and voluntary organizations. The President shall impose as a condition of transfer under this paragraph a covenant to comply with the provisions of section 311 of this Act requiring nondiscrimination in occupancy of such temporary housing units. Such disposition shall be limited to units purchased under the provisions of subsection (a) of this section and to the purposes of providing temporary housing for disaster victims in emergencies or in major disasters.

PROTECTION OF ENVIRONMENT

SEC. 405. No action taken or assistance provided pursuant to sections 305, 306, or 403 of this Act, or any assistance provided pursuant to section 402 or 419 of this Act that has the effect of restoring facilities substantially as they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852). Nothing in this section shall alter or affect the applicability of the National Environmental Policy Act of 1969 (83 Stat. 852) to other Federal actions taken under this Act or under any other provision of law.

MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STRUCTURES

SEC. 406. As a condition of any disaster loan or grant made under the provisions of this Act, the recipient shall agree that any repair or construction to be financed therewith shall be in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards, and shall furnish such evidence of compliance with this section as may be required by

regulation. As a further condition of any loan or grant made under the provisions of this Act, the State or local government shall agree that the natural hazards in the areas in which the proceeds of the grants or loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed or approved by the President after adequate consultation with the appropriate elected officials of general purpose local governments, and the State shall furnish such evidence of compliance with this section as may be required by regulation.

UNEMPLOYMENT ASSISTANCE

SEC. 407. (a) The President is authorized to provide to any individual unemployed as a result of a major disaster such benefit assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall be available to an individual as long as the individual's unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than one year after the major disaster is declared. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred, and the amount of assistance under this section to any such individual for a week of unemployment shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

(b) The President is further authorized for the purposes of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

INDIVIDUAL AND FAMILY GRANT PROGRAMS

SEC. 408. (a) The President is authorized to make a grant to a State for the purpose of such State making grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by a major disaster in those cases where such individuals or families are unable to meet such expenses or needs through assistance under other provisions of this Act, or from other means. The Governor of a State shall administer the grant program authorized by this section.

(b) The Federal share of a grant to an individual or a family under this section shall be equal to 75 per centum of the actual cost of meeting such an expense or need and shall be made only on condition that the remaining 25 per centum of such cost is paid to such individual or family from funds made available by a State. Where a State is unable immediately to pay its share, the President is authorized to advance to such State such 25 per centum share, and any such advance is to be repaid to the United States when such State is able to do so. No individual and no family shall receive any grant or grants under

this section aggregating more than \$5,000 with respect to any one major disaster.

(c) The President shall promulgate regulations to carry out this section and such regulations shall include national criteria, standards, and procedures for the determination of eligibility for grants and the administration of grants made under this section.

(d) A State may expend not to exceed 3 per centum of any grant made by the President to it under subsection (a) of this section for expenses of administering grants to individuals and families under this section.

(e) This section shall take effect as of April 20, 1973.

FOOD COUPONS AND DISTRIBUTION

SEC. 409. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 (P.L. 91-671; 84 Stat. 2048) and to make surplus commodities available pursuant to the provisions of this Act.

(b) The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households, to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in an area affected by a major disaster.

FOOD COMMODITIES

SEC. 410. (a) The President is authorized and directed to assure that adequate stocks of food will be ready and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency.

(b) The Secretary of Agriculture shall utilize funds appropriated under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area.

RELOCATION ASSISTANCE

SEC. 411. Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.

LEGAL SERVICES

SEC. 412. Whenever the President determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the President shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

CRISIS COUNSELING ASSISTANCE AND TRAINING

SEC. 413. The President is authorized (through the National Institute of Mental Health) to provide professional counseling services including financial assistance to State or local agencies or private mental health organizations to provide such services or training of disaster workers, to victims of major disasters in order to relieve mental health problems caused or aggravated by such major disaster or its aftermath.

COMMUNITY DISASTER LOANS

SEC. 414. (a) The President is authorized to make loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such loan shall be based on need, and shall not exceed 25 per centum of the annual operating budget of that local government for the fiscal year in which the major disaster occurs. Repayment of all or any part of such loan to the extent that revenues of the local government during the three full fiscal year period following the major disaster are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character shall be cancelled.

(b) Any loans made under this section shall not reduce or otherwise affect any grants or other assistance under this Act.

(c) (1) Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 (P.L. 92-512; 86 Stat. 919) is amended by adding at the end thereof the following new section:

“Sec. 145 Entitlement Factors Affected by Major Disasters

“In the administration of this title the Secretary shall disregard any change in data used in determining the entitlement of a State government or a unit of local government for a period of 60 months if that change—

“(1) results from a major disaster determined by the President under section 301 of the Disaster Relief Act of 1974, and

“(2) reduces the amount of the entitlement of that State government or unit of local government.”.

(2) The amendment made by this section takes effect on April 1, 1974.

EMERGENCY COMMUNICATIONS

SEC. 415. The President is authorized during, or in anticipation of, an emergency or major disaster to establish temporary communications systems and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 416. The President is authorized to provide temporary public transportation service in an area affected by a major disaster to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

FIRE SUPPRESSION GRANTS

SEC. 417. The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TIMBER SALE CONTRACTS

SEC. 418. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one to three million board feet, or (3) or more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may allow cancellation of a contract entered into by his Department notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

IN-LIEU CONTRIBUTION

SEC. 419. In any case in which the Federal estimate of the total cost of (1) repairing, restoring, reconstructing, or replacing, under section 402, all damaged or destroyed public facilities owned by a State or local government within its jurisdiction, and (2) emergency assistance under section 306 and debris removed under section 403, is less than \$25,000, then on application of a State or local government, the President is authorized to make a contribution to such State or local government under the provisions of this section in lieu of any contribution to such State or local government under section 306, 402, or 403. Such contribution shall be based on 100 per centum of such total estimated cost, which may be expended either to repair, restore, reconstruct, or replace all such damaged or destroyed public facilities, to repair, restore, reconstruct, or replace certain selected damaged or destroyed public facilities, to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area, or to undertake disaster work as authorized in section 306 or 403. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards.

TITLE V—ECONOMIC RECOVERY FOR DISASTER AREAS

AMENDMENT TO PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 501. The Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new title:

“TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

“PURPOSE OF TITLE

“SEC. 801. (a) It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (1) assistance in planning for development to replace that lost in the major disaster; (2) continued coordination of assistance available under Federal-aid programs; and (3) continued assistance toward the restoration of the employment base.

“(b) As used in this title, the term ‘major disaster’ means a major disaster declared by the President in accordance with the Disaster Relief Act of 1974.

"DISASTER RECOVERY PLANNING

"SEC. 802. (a) (1) In the case of any area affected by a major disaster the Governor may request the President for assistance under this title. The Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

"(2) Such Recovery Planning Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government appointed by the President in accordance with paragraph (3) of this subsection. During the major disaster, the Federal coordinating officer shall also serve on the Recovery Planning Council.

"(3) The Federal representative on such Recovery Planning Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman of such Regional Council. The Federal representative on such Recovery Planning Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of this Act, or the Appalachian Regional Development Act of 1965, or his designee, where all of the area affected by a major disaster is within the boundaries of such Commission.

"(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives except that if all or part of an area affected by a major disaster is within the jurisdiction of an existing multijurisdictional organization established under title IV of this Act or title III of the Appalachian Regional Development Act of 1965, such organization, with the addition of State and Federal representatives in accordance with paragraph (2) of this subsection, shall be designated by the Governor as the Recovery Planning Council. In any case in which such title III or IV organization is designated as the Recovery Planning Council under this paragraph, some local elected officials of political subdivisions within the affected areas must be appointed to serve on such Recovery Planning Council. Where possible the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the appropriate agency required by section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334) and by the Intergovernmental Cooperation Act of 1968 (P.L. 90-577; 82 Stat. 1098).

"(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

"(b) The Recovery Planning Council (1) shall review existing plans for the affected area; and (2) may recommend to the Governor and responsible local governments such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the 5-year period following the declaration of the major disaster. The Recovery Planning Council shall accept as one element of the

recovery investment plans determinations made under section 402(f) of the Disaster Relief Act of 1974.

“(c) (1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprogramming, or additional approval of Federal-aid projects and programs within the area—

“(A) for which application has been made but approval not yet granted;

“(B) for which funds have been obligated or approval granted but construction not yet begun;

“(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

“(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities: or

“(E) which may reasonably be anticipated as becoming available under existing programs.

“(2) Upon the recommendation of the Recovery Planning Council and the request of the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may, to any extent consistent with appropriation Acts, be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be expended in the implementation of the recovery investment plan, except that no such transfer may be made unless such expenditure is for a project or program for which such funds originally were made available by an appropriation Act.

“PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

“SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

“(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

“(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c) (2) of section 802 of this Act, or other Federal-aid projects in the affected area.

“(b) Grants and loans under this section may be made to any State, local government, or private or public nonprofit organization representing any area or part thereof affected by a major disaster.

“(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State or local government which the President determines has exhausted its effective taxing and borrowing capacity.

“(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the

current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less 1 per centum per annum.

"(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them. Such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

"LOAN GUARANTEES

"SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within an area affected by a major disaster for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings; and (2) for working capital in connection with projects in areas assisted under paragraph (1), upon application of such institution and upon such terms and conditions as the President may prescribe. No such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

"TECHNICAL ASSISTANCE

"SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in areas affected by major disasters. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery of such areas. Such assistance may be provided by the President directly, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations.

"(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery

Planning Councils designated pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, to assure adequate and effective planning and economical use of funds.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 806. There is authorized to be appropriated not to exceed \$250,000,000 to carry out this title."

TITLE VI—MISCELLANEOUS

AUTHORITY TO PRESCRIBE RULES

SEC. 601. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency or agencies as he may designate.

REPEAL OF EXISTING LAW

SEC. 603. The Disaster Relief Act of 1970, as amended (84 Stat. 1744), is hereby repealed, except sections 231, 233, 234, 235, 236, 237, 301, 302, 303, and 304. Notwithstanding such repeal the provisions of the Disaster Relief Act of 1970 shall continue in effect with respect to any major disaster declared prior to the enactment of this Act.

PRIOR ALLOCATIONS OF FUNDS

SEC. 604. Funds heretofore appropriated and available under Public Laws 91-606, as amended, and 92-385 shall continue to be available for the purpose of providing assistance under those Acts as well as for the purposes of this Act.

EFFECTIVE DATE

SEC. 605. Except for section 408, this Act shall take effect as of April 1, 1974.

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. Except as provided by the amendment made by section 501, there are authorized to be appropriated to the President such sums as may be necessary to carry out this Act through the close of September 30, 1980.¹

Approved May 22, 1974.

¹ The Disaster Relief Programs Appropriation Authorization, Public Law 95-51, 91 Stat. 233, 42 U.S.C. 5202, approved June 20, 1977, amended section 606 by inserting "September 30, 1980" in lieu of "June 30, 1977".

DISASTER RELIEF ACT OF 1970²

[Public Law 91-606, 84 Stat. 1744; 42 U.S.C. 4401]

AN ACT To revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1970"

FINDINGS AND DECLARATIONS

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which

² See section 603 of the Disaster Relief Act of 1974.

such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

FEDERAL COORDINATING OFFICER

SEC. 201. (a) Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall—

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

SEC. 202. The Director is authorized to form emergency support teams of Federal personnel to be deployed in a major disaster area.

EMERGENCY SUPPORT TEAMS

Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act. Upon request of the Director, the head of any Federal department or agency is authorized to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the discretion of the Director, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the Director may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

COOPERATION OF FEDERAL AGENCIES IN RENDERING
EMERGENCY ASSISTANCE

SEC. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage in accordance with section 224;

(B) making repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a)(4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(f) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority, herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(g) The President, acting through the Office of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

(h) The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or

improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunamis, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this subsection, and from time to time, the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

SEC. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such administrative procedural conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received

assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 209. (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

DISASTER WARNINGS

SEC. 210. The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.

* * * * *

PREDISASTER ASSISTANCE

SEC. 221. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized during, or in anticipation of, an emergency to establish temporary communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide temporary public transportation service to meet emergency needs in a major disaster

area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL

SEC. 224. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Notwithstanding any other provision of law, any such emergency housing acquired by purchase may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dis-

possession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The President is authorized for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

* * * * *

SMALL BUSINESS DISASTER LOANS

SEC. 231. In the administration of the disaster loan program under section 7(b) (1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage and injury resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232.¹ In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-67), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture—

¹ Sec. 7 of Public Law 93-24, 87 Stat. 24, approved April 20, 1973, repealed this section 232.

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a) (2) of title 38, United States Code, is amended to read as follows:

“(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;”

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

“(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a) (2) of this section, extend on an individual case basis such forbearance or indulgence to such owners as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner.”

DISASTER LOAN INTEREST RATES

SEC. 234. Any loan made under sections 231, and 232 of this Act shall not exceed the current cost of repairing or replacing the disaster

injury, loss, or damage in conformity with current codes and specifications. Any loan made under sections 231, 232, 236(b) and 237 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 2 percentum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of section 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan. Any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed the maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one of three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local governments is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 243. No loan or grant made by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable building codes and specifications.

* * * * *

FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior condition¹ to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of

¹ The word "condition" was inadvertently left out of Public Law 91-608.

such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, other than one used exclusively for recreation purposes.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

- (1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;
- (2) the United States Housing Act of 1937 for the provision of low-rent housing;
- (3) section 702 of the Housing Act of 1954 for assistance in public works planning;
- (4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or
- (5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

PRIVATE MEDICAL CARE FACILITIES

SEC. 255.¹ (a) The President is authorized to make grants for the repair, reconstruction, or replacement of any medical care facility which is owned by an organization exempt from taxation under section 501 (c), (d), or (e) of the Internal Revenue Code of 1954 and is operated to carry out the exempt purposes of such organization, and which is damaged or destroyed by a major disaster. Such assistance shall be made available only on application, and subject to such rules and regulations as the President may prescribe.

(b) A grant made under the provisions of subsection (a) shall not exceed—

- (1) 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such

¹ Added by sec. 1 of Public Law 92-209, approved December 18, 1971, 85 Stat. 742, 743. Sec. 2 of Public Law 92-209, provides that the amendment adding sec. 255 is retroactive to January 1, 1971.

disaster and in conformity with applicable codes, specifications, and standards; or

(2) in the case of any such facility which was under construction when so damaged or destroyed, 50 per centum of the net cost of restoring such facility substantially to its condition prior to such disaster, and of completing construction not performed prior to such disaster to the extent that the cost of completing such construction is increased over the original construction cost due to changed conditions resulting from such disaster.

(c) For purposes of this section, "medical care facility" includes; without limitation, any hospital, diagnostic or treatment center, or rehabilitation facility as such terms are defined in section 645 of the Public Health Service Act, and any similar facility offering diagnosis or treatment of mental or physical injury or disease, including the administrative and support facilities essential to the operating of such medical care facilities although not contiguous thereto.

* * * * *

PRIOR ALLOCATION OF FUNDS

SEC. 303. Funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the purposes of such Act of September 30, 1950, or this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(b), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

Approved December 31, 1970.

ALASKA EARTHQUAKE

EXCERPTS FROM 1964 AMENDMENTS TO ALASKA OMNIBUS ACT

[Public Law 88-451, 78 Stat. 505-507; 48 U.S.C. prec 21 nt]

AN ACT To amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "1964 Amendments to the Alaska Omnibus Act".

SEC. 2. The Congress hereby recognizes that the State of Alaska has experienced extensive property loss and damage as a result of the earthquake of March 27, 1964, and subsequent seismic waves, and declares the need for special measures designed to aid and accelerate the

State's efforts in providing for the reconstruction of the areas in the State devastated by this natural disaster.

* * * * *

SEC. 4. The Alaska Omnibus Act (73 Stat. 141) is amended by adding the following new sections at the end of section 50 thereof:

"NEW FEDERAL LOAN ADJUSTMENTS"

* * * * *

"SEC. 52. The Secretary of Housing and Urban Development is authorized to compromise or release such portion of any note or other obligation held by him with respect to property in Alaska pursuant to title II of the Housing Amendments of 1955¹ or included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, as he finds necessary because of loss, destruction, or damage to facilities securing such obligations by the 1964 earthquake and subsequent seismic waves.

"URBAN RENEWAL

"SEC. 53. The Secretary of Housing and Urban Development is authorized to enter into contracts for grants not exceeding \$25,000,000 for urban renewal projects in Alaska, including open land projects, under section 111 of the Housing Act of 1949 which he determines will aid the communities in which they are located in reconstruction and redevelopment made necessary by the 1964 earthquake and subsequent seismic waves. Such authorization shall be in addition to and separate from any grant authorization contained in section 103(b) of said Act.

"The Secretary may increase the capital grant for a project assisted under this section to not more than 90 per centum of net project cost where he determines that a major portion of the project area has either been rendered unusable as a result of the 1964 earthquake and subsequent seismic waves or is needed in order adequately to provide, in accordance with the urban renewal plan for the project, new locations for persons, businesses, and facilities displaced by the earthquake."

* * * * *

"PURCHASE OF ALASKA STATE BONDS

"SEC. 56. The Secretary of Housing and Urban Development is authorized to purchase, in accordance with the provisions of sections 202(b), 203, and 204 of title II of the Housing Amendments of 1955,¹ the securities and obligations of, or make loans to, the State of Alaska to finance any part of the programs needed to carry out the reconstruction activities in Alaska related to the 1964 earthquake and subsequent seismic waves or to complete capital improvements begun prior to the earthquake: *Provided*, That the aggregate amount of such purchase or loan shall not exceed \$25,000,000.

"RETIREMENT OR ADJUSTMENT OF OUTSTANDING MORTGAGE OBLIGATION

"SEC. 57. For the purpose of enabling the State of Alaska to retire or adjust outstanding home mortgage obligations or other real property liens secured by one to four family homes which were severely

¹ Public facility loan program.

damaged or destroyed in the March 1964 earthquake and subsequent seismic waves, the President is authorized¹ to make additional grants to the State of Alaska in an amount not to exceed a total of \$5,500,000 to match, on a fifty-fifty basis, any funds provided by the State to pay the costs of retiring or adjusting such mortgage obligations. In order to be approved, a State application for a grant carrying out the purpose of this section must: (1) be in accordance with a plan submitted by the State, to be approved by the President² for the implementation of the purpose of this section; (2) designate the State agency for retiring or adjusting said mortgage obligations; (3) provide that the mortgagor shall be required to absorb the damage loss to the entire extent of his equity interest in the property and also agree to pay at least \$1,000 of the outstanding mortgage balance; (4) provide that no payments for retiring or adjusting mortgage obligations on a single property shall exceed \$30,000; (5) provide regulations to assure equitable treatment among homeowners and to prevent unjustified payments or gains to the State, mortgagees or mortgagors; and (6) provide that the State agency will make such reports, in such form and containing such information as the President² may from time to time require, and give the President, upon demand, access to the records on which such reports are based."

APPROPRIATION AUTHORIZATION

SEC. 5. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, which shall be available for obligation until June 30, 1967, except³ that any sums so appropriated to carry out section 53 of the Alaska Omnibus Act shall be available after such date for obligation in connection with one or more of the following urban renewal projects authorized for execution prior to June 30, 1967: Alaska R-8, Westchester; Alaska R-19, Kodiak; Alaska R-20, downtown Anchorage; Alaska R-21, Seward; Alaska R-22, Valdez; Alaska H-25, Mineral Creek; Alaska R-26, Seldovia; Alaska R-28, Cordova. There is also authorized to be appropriated such sums as may be necessary for the expenses of such advisory commissions or committees as the President may establish in connection with the reconstruction and development planning of the State of Alaska. The total amount authorized to be appropriated pursuant to this section shall not exceed \$55,650,000.

TERMINATION DATE

SEC. 6. The authority contained in this Act shall expire on June 30, 1967, except that such expiration shall not affect (1)⁴ the authority conferred by section 53 of the Alaska Omnibus Act until the completion of the following urban renewal projects authorized for execution prior to June 30, 1967: Alaska R-8, Westchester; Alaska R-19,

¹ Executive Order 11196 empowered the Housing and Home Finance Administrator to perform this function without the approval, ratification, or other action of the President.

² Executive Order 11196 empowered the Housing and Home Finance Administrator to perform this function without the approval, ratification, or other action of the President.

³ Sec. 1 of Public Law 97-367, approved July 31, 1970, 84 Stat. 691, extended the deadline for the use of funds on the 8 designated urban renewal projects in this sentence.

⁴ Sec. 2 of Public Law 91-367, substituted clauses (1) and (2) for the following: "the payment of expenditures for any obligation or commitment entered into under this Act prior to June 30, 1967."

Kodiak; Alaska R-20, downtown Anchorage; Alaska R-21, Seward; Alaska R-22, Valdez; Alaska R-25, Mineral Creek; Alaska R-26, Seldovia; Alaska R-28, Cordova; or (2) the payment of expenditures for any obligation or commitment entered into under this Act prior to June 30, 1967.

REPORTING

SEC. 7. The President shall report semiannually during the term of this Act to the President of the Senate and the Speaker of the House on the actions taken under this Act by the various Federal agencies. The first such report shall be submitted not later than February 1, 1965, and shall cover the period ending December 31, 1964.

Approved August 19, 1964.

SOUTHEAST HURRICANE DISASTER RELIEF ACT OF 1965

[Public Law 89-339, 79 Stat. 1301]

AN ACT To provide assistance to the States of Florida, Louisiana, and Mississippi for the reconstruction of areas damaged by the recent hurricane.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby recognizes that the States of Florida, Louisiana, and Mississippi suffered extensive property loss and damage as a result of Hurricane Betsy in 1965 (including, but not limited to, loss and damage from flood, high waters, and wind-driven waters caused by such hurricane) and that there is a need for special measures designed to aid and accelerate these States in their efforts to provide for the reconstruction of highways and public works projects, and to otherwise rehabilitate these devastated areas.

SEC. 2. Notwithstanding any other provision of law, trailers provided as a result of Hurricane Betsy as temporary housing under clause (d) of section 3 of the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950, as amended (42 U.S.C. 1855b), may be sold directly to the persons who are the occupants thereof at prices that are fair and equitable.

SEC. 3. In the administration of the disaster loan program under section 7(b) (1) of the Small Business Act, as amended (15 U.S.C. 636 (b)), in the case of property loss or damage in the States of Florida, Louisiana, and Mississippi resulting from Hurricane Betsy, the Small Business Administration, to the extent such loss or damage is not compensated for by insurance or otherwise, (1) shall at the borrower's option on that part of any loan in excess of \$500, (A) cancel up to \$1,800 of the loan, or (B) waive interest due on the loan in a total amount of not more than \$1,800 over a period not to exceed three years; and (2) may lend to a privately owned school, college, or university without regard to whether the required financial assistance is otherwise available from private sources, and may waive interest payments and defer principal payments on such a loan for the first three years of the term of the loan.

SEC. 4. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-67), in the case of property loss or

damage in the States of Florida, Louisiana, and Mississippi resulting from flood, high waters, or wind-driven water or uninsurable crop loss, caused by Hurricane Betsy, the Secretary of Agriculture shall, to the extent such loss or damage is not compensated for by insurance or otherwise at the borrower's option on that part of any loan in excess of \$500, (1) cancel up to \$1,800 of the loan, or (2) waive interest due on the loan in a total amount of not more than \$1,800 over a period not to exceed three years without regard to whether the required financial assistance is otherwise available from private sources.

SEC. 5. The Secretary of Housing and Urban Development shall undertake an immediate study of alternative programs which could be established to help provide financial assistance to those suffering property losses in flood and other natural disasters including alternative methods of Federal disaster insurance, as well as the existing flood insurance program, and shall report his findings and recommendations to the President for submission to the Congress not later than nine months after the appropriation of funds for this study, except that the findings and recommendations on earthquake insurance shall be reported to the President for submission to the Congress not later than June 30, 1969.¹

SEC. 6. There is hereby authorized to be appropriated not to exceed \$70,000,000 to carry out this Act, and such sums shall remain available until expended.

SEC. 7. This Act, other than sections 5 and 6, shall not be in effect after January 1, 1967, except with respect to payment of expenditures for obligations and commitments entered into under this Act on or before such date.

SEC. 8. This Act may be cited as the "Southeast Hurricane Disaster Relief Act of 1965".

Approved November 8, 1965.

Executive Order 11575

[36 Fed. Reg. 37]

Providing for the Administration of the Disaster Relief Act of 1970², as Amended

By virtue of the authority vested in me by the Disaster Relief Act of 1970,² as amended, hereinafter referred to as the Act, and section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. (a) The authorities vested in the President by section 102(1) of the Act to declare a major disaster, by section 251 of the Act to provide for the restoration of Federal facilities, and by section 253 of the Act to prescribe time limits for granting priorities for certain public facilities and certain public housing assistance are reserved to the President.

(b) Except as otherwise provided in subsections (a), (c), and (d) of this section, the Director of the Office of Emergency Preparedness is designated and empowered to exercise, without the approval, ratifi-

¹ Sec. 1715, Housing and Urban Development Act of 1968, Public Law 90-448, approved Aug. 1, 1968, 82 Stat. 476, 607, substituted "June 30, 1969" for "three years after the appropriation of funds for this study".

² The words "as amended", added by Executive Order 11662 of March 29, 1972, 37 Fed. Reg. 6563.

cation, or other action of the President, all of the authority vested in the President by the Act.

(c) The Secretary of Defense is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 210 of the Act concerning the utilization and availability of the civil defense communications system for the purpose of disaster warnings.

(d) The Secretary of Agriculture is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 238 of the Act concerning food coupons and surplus commodities.

SEC. 2. The Director of the Office of Emergency Preparedness may delegate or assign to the head of any agency of the executive branch of the Government, subject to the consent of the agency head concerned in each case, any authority or function delegated or assigned to the Director by the provisions of this order. Any such head of agency may redelegate any authority or function so delegated or assigned to him by the Director to any officer or employee subordinate to such head of agency whose appointment is required to be made by and with the advice and consent of the Senate.

SEC. 3. Rules, regulations, procedures, and documents issued under the authority of the Act of September 30, 1950 (64 Stat. 1109); the Disaster Relief Act of 1966 (80 Stat. 1316); and the Disaster Relief Act of 1969 (83 Stat. 125) shall remain in effect for purposes of the Act unless otherwise modified, superseded, or revoked by the appropriate Federal official, and, unless inappropriate, all references in those rules, regulations, procedures, and documents or in any Executive order or other document to the Act of September 30, 1950, the Disaster Relief Act of 1966, or the Disaster Relief Act of 1969 shall be deemed to be references to the Act.

SEC. 4. In order to assure the most effective utilization of the personnel, equipment, supplies, facilities, and other resources of Federal agencies pursuant to the Act, agencies shall make and maintain suitable plans and preparations in anticipation of their responsibilities in the event of a major disaster. The Director of the Office of Emergency Preparedness shall coordinate, on behalf of the President, such plans and preparations.

SEC. 5. Executive Order No. 10427 of January 16, 1953, Executive Order No. 10737 of October 29, 1957, and Executive Order No. 11495 of November 18, 1969, are hereby revoked. Unless inappropriate, any reference to those Executive orders in any rule, regulations, procedure, document, or other Executive order, shall be deemed to be a reference to this Executive order.

RICHARD NIXON.

THE WHITE HOUSE, *December 31, 1970.*

ESTABLISHING THE NATIONAL COUNCIL ON FEDERAL DISASTER ASSISTANCE

Executive Order 11526

[35 Fed. Reg. 6569]

Whereas the Congress has enacted a number of statutory provisions authorizing Federal assistance to areas devastated by large-scale disasters; and

Whereas the Federal Disaster Act (P.L. 81-875), the Federal Disaster Relief Act of 1966 (P.L. 89-769), and the Disaster Relief Act of 1969 (P.L. 91-79) are, pursuant to delegations of authority by the President, administered by the Director of the Office of Emergency Preparedness; and

Whereas the Departments of Defense, the Interior, Commerce, Agriculture, Labor, Health, Education, and Welfare, Housing and Urban Development, and Transportation, and the Small Business Administration and the Office of Economic Opportunity, also administer important disaster assistance programs; and

Whereas a prompt and effective Federal response to a major disaster requires coordinated action by all of the Federal agencies involved; and

Whereas Federal coordination will be served by the establishment of a National Council on Federal Disaster Assistance;

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of Council.* (a) There is hereby established the National Council on Federal Disaster Assistance (hereinafter referred to as the "Council") which shall be composed of the Director of the Office of Emergency Preparedness, who shall be the Chairman of the Council, and policy level representatives of the Departments of Defense, the Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, Housing and Urban Development, and Transportation, and of the Small Business Administration and the Office of Economic Opportunity, and such other members as the President may from time to time designate.

(b) Representatives of other Federal departments or agencies, officials of State and local governments, and private citizens may be invited by the Chairman to participate in the deliberations of the Council.

SEC. 2. *Functions of the Council.* The Council shall advise and assist the Director of the Office of Emergency Preparedness in:

(a) Insuring that Federal agencies furnish necessary assistance following a large-scale disaster on a priority basis to the Federal Coordinating Officer appointed by the President to operate under the Director, Office of Emergency Preparedness, pursuant to Section 9 of the Disaster Relief Act of 1969;

(b) Developing policies and programs to provide a strong and integrated total Federal disaster assistance effort;

(c) Stimulating cooperation and the sharing of data, views, and information concerning disaster assistance among Federal agencies, State and local governments, and private organizations having disaster assistance responsibilities and interests;

(d) Facilitating cooperation among Federal, State, and local governments with special concern for the maintenance of local initiative and decision making with respect to emergency restoration and rebuilding programs;

(e) Promoting the participation of Federal agencies in providing Federal assistance for rebuilding efforts;

(f) Encouraging research on means of preventing disasters and ameliorating the effects of those that occur;

(g) Reviewing, from time to time, the effectiveness of the Federal disaster assistance programs and suggesting needed changes.

SEC. 3. *Assistance to the Council.* Consistent with law, the Office of Emergency Preparedness shall provide staff and other assistance to the Council, and Executive departments and agencies shall furnish to the Council such available information as the Council may require in performance of its functions.

SEC. 4. *Construction.* Nothing in this order shall be construed as subjecting any Federal agency or officer, or any function vested by law in, or assigned pursuant to law to, any Federal agency or officer, to the authority of the Council or of any other agency or officer or as abrogating any such function in any manner.

RICHARD NIXON.

THE WHITE HOUSE, April 22, 1970.

EVALUATION OF FLOOD HAZARD IN LOCATING FEDERALLY OWNED OR FINANCED BUILDINGS, ROADS, AND OTHER FACILITIES, AND IN DISPOSING OF FEDERAL LANDS AND PROPERTIES

Executive Order 11296

[31 Fed. Reg. 10663]

Repealed.¹

Whereas uneconomic uses of the Nation's flood plains are occurring and potential flood losses are increasing despite substantial efforts to control floods; and

Whereas national and regional studies of areas and property subject to flooding indicate a further increase in flood damage potential and flood losses, even with continuing investment in flood protection structures; and

Whereas the Federal Government has extensive and continuing programs for the construction of buildings, roads, and other facilities and annually disposes of thousands of acres of Federal lands in flood hazard areas, all of which activities significantly influence patterns of commercial, residential, and industrial development; and

Whereas the availability of Federal loans and mortgage insurance and land use planning programs are determining factors in the utilization of lands:

Now, therefore, by virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

SECTION 1. The heads of the executive agencies shall provide leadership in encouraging a broad and unified effort to prevent uneconomic uses and development of the Nation's flood plains and, in particular, to lessen the risk of flood losses in connection with Federal lands and installations and federally financed or supported improvements. Specifically:

(1) All executive agencies directly responsible for the construction of Federal buildings, structures, roads, or other facilities shall evaluate flood hazards when planning the location of new facilities and, as far as practicable, shall preclude the uneconomic, hazardous, or unnecessary use of flood plains in connection with such facilities. With respect to existing Federally owned properties which have suffered flood damage or which may be subject thereto, the responsible agency head shall require conspicuous delineation of past and probable flood heights so as to assist in creating public awareness of and knowledge

¹ Repealed by Executive Order 11988, 42 Fed. Reg. 26951, May 24, 1977.

about flood hazards. Whenever practical and economically feasible, flood proofing measures shall be applied to existing facilities in order to reduce flood damage potential.

(2) All executive agencies responsible for the administration of Federal grant, loan, or mortgage insurance programs involving the construction of buildings, structures, roads, or other facilities shall evaluate flood hazards in connection with such facilities and, in order to minimize the exposure of facilities to potential flood damage and the need for future Federal expenditures for flood protection and flood disaster relief, shall, as far as practicable, preclude the uneconomic, hazardous, or unnecessary use of flood plains in such connection.

(3) All executive agencies responsible for the disposal of Federal lands or properties shall evaluate flood hazards in connection with lands or properties proposed for disposal to non-Federal public instrumentalities or private interests and, as may be desirable in order to minimize future Federal expenditures for flood protection and flood disaster relief and as far as practicable, shall attach appropriate restrictions with respect to uses of the lands or properties by the purchaser and his successors and may withhold such lands or properties from disposal. In carrying out this paragraph, each executive agency may make appropriate allowance for any estimated loss in sales price resulting from the incorporation of use restrictions in the disposal documents.

(4) All executive agencies responsible for programs which entail land use planning shall take flood hazards into account when evaluating plans and shall encourage land use appropriate to the degree of hazard involved.

SEC. 2. As may be permitted by law, the head of each executive agency shall issue appropriate rules and regulations to govern the carrying out of the provisions of Section 1 of this order by his agency.

SEC. 3. Requests for flood hazard information may be addressed to the Secretary of the Army or, in the case of lands lying in the basin of the Tennessee River, to the Tennessee Valley Authority. The Secretary or the Tennessee Valley Authority shall provide such information as may be available, including requested guidance on flood proofing. The Department of Agriculture, Department of the Interior, Department of Commerce, Department of Housing and Urban Development, and Office of Emergency Planning, and any other executive agency which may have information and data relating to floods shall cooperate with the Secretary of the Army in providing such information and in developing procedures to process information requests.

SEC. 4. Any requests for appropriations for Federal construction of new buildings, structures, roads, or other facilities transmitted to the Bureau of the Budget by an executive agency shall be accompanied by a statement by the head of the agency on the findings of his agency's evaluation and consideration of flood hazards in the development of such requests.

SEC. 5. As used in this order, the term "executive agency" includes any department, establishment, corporation, or other organizational entity of the executive branch of the Government.

SEC. 6. The executive agencies shall proceed immediately to develop such procedures, regulations, and information as are provided for in, or may be necessary to carry out, the provisions of Sections 1, 2, and

3 of this order. In other respects this order shall take effect on January 1, 1967.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 10, 1966.*

Executive Order 11795

[39 Fed. Reg. 25939]

DELEGATING DISASTER RELIEF FUNCTIONS PURSUANT TO THE DISASTER
RELIEF ACT OF 1974

By virtue of the authority vested in me by the Disaster Relief Act of 1974 (Public Law 93-288; 88 Stat. 143), section 301 of title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. (a) The Secretary of Housing and Urban Development is designated and empowered to exercise without the approval, ratification, or other action by the President, all of the authority vested in the President by the Disaster Relief Act of 1974, hereinafter referred to as the "Act", except: (1) The authority vested in the President by section 301 of the act to declare emergencies and major disasters, by section 313 of the act to prescribe time limits for granting priorities for certain public facilities and certain public housing assistance, by section 401 of the act to provide for the repair, reconstruction, restoration, or replacement of Federal facilities, by section 412 to provide legal services, and by title V to provide for economic recovery, which are hereby reserved to the President; (2) the authority vested in the President by that part of section 202(c) of the act concerning the utilization and availability of the Federal civil defense communications system for the purpose of disaster warnings which the Secretary of Defense is empowered to exercise by this order; and (3) the authority vested in the President by section 409 of the act concerning food coupons and distribution, which the Secretary of Agriculture is empowered to exercise by this order.

(b) The Secretary of Housing and Urban Development may delegate or assign to the head of any agency of the executive branch of the Government, subject to the consent of the agency head concerned in each case, any authority or function delegated or assigned to the Secretary by the provisions of this section. Any such head of the agency may redelegate any authority or function so delegated or assigned to him by the Secretary to any officer or employee subordinate to such head of the agency.

(c) The Secretary of Housing and Urban Development shall prepare a plan for the implementation of the provisions of section 412 of the act, relating to legal services, and shall submit that plan to the President through the Director of the Office of Management and Budget.

SEC. 2. The Secretary of Defense is designated and empowered to exercise, without the approval, ratification, or other action of the President, the authority vested in the President by section 202(c) of the act concerning the utilization and availability of the Federal civil defense communications system for the purpose of disaster warnings.

SEC. 3. The Secretary of Agriculture is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 409 of the act concerning food coupons and distribution.

SEC. 4. This order shall be effective as of May 22, 1974, and all actions taken by the Secretary of Housing and Urban Development pursuant to the act prior to the date of this order are, to the extent such actions would be authorized and under this order, ratified.

RICHARD NIXON.

THE WHITE HOUSE, *July 11, 1974.*

Executive Order 11794

[39 Fed. Reg. 25937]

**REVOKING EXECUTIVE ORDER NO. 10958, RELATING TO THE CIVIL
DEFENSE MEDICAL AND FOOD STOCKPILES**

Under and by virtue of the authority vested in me by Reorganization Plan No. 1 of 1958, and as President of the United States of America, Executive Order No. 10958 of August 14, 1961 is hereby revoked.

Nothing in this order shall be deemed to modify or diminish the civil defense and emergency preparedness planning functions assigned to the Secretary of Agriculture and the Secretary of Health, Education, and Welfare by Executive Order No. 11490 of October 28, 1969, those assigned to the Secretary of Defense by that order and Executive Order No. 10952 of July 20, 1961, or those assigned to the Administrator of General Services by Executive Order Nos. 10952, 11051 of September 27, 1962, 11490, or 11725 of June 27, 1973.

RICHARD NIXON.

THE WHITE HOUSE, *July 11, 1974.*

Executive Order 11749

[38 Fed. Reg. 34177]

**CONSOLIDATING DISASTER RELIEF FUNCTIONS ASSIGNED TO THE SEC-
RETARY OF HOUSING AND URBAN DEVELOPMENT**

By virtue of the authority vested in me by Reorganization Plan No. 1 of 1973, the Disaster Relief Act of 1970, as amended (42 U.S.C. § 4401, et seq.), and section 301 of title 3 of the United States Code and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. (a) The Secretary of Housing and Urban Development is designated and empowered to exercise without the approval, ratification, or other action of the President, all of the authority vested in the President by the Disaster Relief Act of 1970, as amended, hereinafter referred to as the "Act", except (1) the authorities vested in the President by section 102(1) of the Act to declare a major disaster, by section 251 of the Act to provide for the restoration of Federal facilities, and by section 253 of the Act to prescribe time limits for granting priorities for certain public facilities and certain public housing assistance which

are hereby reserved to the President; (2) the authority vested in the President by section 210 of the Act concerning the utilization and availability of the civil defense communications system for the purpose of disaster warnings which the Secretary of Defense is empowered to exercise by this order; and (3) the authority vested in the President by section 238 of the Act concerning food coupons and surplus commodities, which the Secretary of Agriculture is empowered to exercise by this order.

(b) The Secretary of Housing and Urban Development is hereby empowered to exercise without the approval, ratification, or other action of the President, all of the authority conferred upon the President by section 4 of the act entitled "An Act to authorize for a limited period additional loan assistance under the Small Business Act for disaster victims, to provide for a study and report to the Congress by the President setting forth recommendations for a comprehensive revision of disaster relief legislation, and for other purposes."

(c) The Secretary of Housing and Urban Development may delegate or assign to the head of any agency of the executive branch of the Government, subject to the consent of the agency head concerned in each case, any authority or function delegated or assigned to the Secretary by the provisions of this section. Any such head of the agency may redelegate any authority or function so delegated or assigned to him by the Secretary to any officer or employee subordinate to such head of the agency whose appointment is required to be made by and with the advice and consent of the Senate.

SEC. 2. The Secretary of Housing and Urban Development is designated and empowered to exercise, without the approval, ratification, or other action of the President:

(1) All authority which was vested in the Office of Emergency Preparedness, or the Director thereof, by the Disaster Relief Act of 1970, as amended, and which was transferred to the President by Reorganization Plan No. 1 of 1973.

(2) All authority which was vested in the Director of the Office of Emergency Preparedness with respect to determining whether a major disaster has occurred within the meaning of (A) section 16 of the Act of September 23, 1950, as amended (20 U.S.C. 646), (B) section 7 of the Act of September 30, 1950, as amended (20 U.S.C. 241-1), and (C) section 762(a) of the Higher Education Act of 1965 as added by section 161(a) of the Education Amendments of 1972, Public Law 92-318, 86 Stat. 288 at 299 (relating to the furnishing by the Commissioner of Education of disaster relief assistance for educational purposes), and which was transferred to the President by Reorganization Plan No. 1 of 1973.

SEC. 3. (a) There is hereby established the National Council on Federal Disaster Assistance (hereinafter referred to as the "Council") which shall be composed of the Secretary of Housing and Urban Development, who shall be the Chairman of the Council, and policy level representatives of the Departments of Defense; the Interior; Agriculture; Commerce; Labor; Health, Education, and Welfare; and Transportation; and of the Small Business Administration and the Office of Economic Opportunity, and such other members as the President may from time to time designate. This Council supersedes the National Council on Federal Disaster Assistance established by Executive Order No. 11526. Representatives of the other Federal departments or agencies, officials of State and local governments, and private citizens may

be invited by the Chairman to participate in the deliberations of the Council.

(b) The Council shall advise and assist the Secretary of Housing and Urban Development in: (1) Insuring that the Federal agencies furnish necessary assistance following a large-scale disaster on a priority basis to the Federal Coordinating Officer appointed by the President to operate under the Secretary of Housing and Urban Development, pursuant to section 201 of the Disaster Relief Act of 1970; (2) developing policies and programs to provide a strong and integrated total Federal disaster assistance effort; (3) stimulating cooperation and the sharing of data, views, and information concerning disaster assistance among Federal agencies, State and local governments, and private organizations having disaster assistance responsibilities and interests; (4) facilitating cooperation among Federal, State, and local governments with special concern for the maintenance of local initiative and decisionmaking with respect to emergency restoration and rebuilding programs; (5) promoting the participation of Federal agencies in providing Federal assistance for rebuilding efforts; (6) encouraging research on means of preventing disasters and ameliorating the effects of those that occur; (7) reviewing, from time to time, the effectiveness of the Federal disaster assistance programs and suggesting needed changes.

(c) Consistent with law, the Department of Housing and Urban Development shall provide staff and other assistance to the Council, and executive departments and agencies shall furnish to the Council such available information as the Council may require in performance of its functions.

(d) Nothing in this order shall be construed as subjecting any Federal agency or officer, or any function vested by law in, or assigned, pursuant to law to any Federal agency or officer to the authority of the Council or of any other agency or officer or as abrogating any such function in any manner.

SEC. 4. The Secretary of Housing and Urban Development is designated and empowered to exercise, without the approval, ratification, or other action of the President all other incidental authority relating to matters described in sections 1 through 3 of this Executive order that has been vested in the Office of Emergency Preparedness or the Director thereof by the President by letter, memorandum, or other form of directive, or otherwise.

SEC. 5. (a) The Secretary of Defense is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 210 of the Act concerning the utilization and availability of the civil defense communications system for the purpose of disaster warnings.

(b) The Secretary of Agriculture is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 238 of the act concerning food coupons and surplus commodities.

SEC. 6. (a) Executive Order Nos. 11526, 11575, 11662, and 11678, and section 1 of Executive Order No. 11725 are hereby superseded.

(b) This order shall be effective thirty days after the date of its issuance.

RICHARD NIXON.

THE WHITE HOUSE, *December 10, 1973.*

DISASTER ASSISTANCE

Executive Order 11725

[38 Fed. Reg. 17175-78]

TRANSFER OF CERTAIN FUNCTIONS OF THE OFFICE OF EMERGENCY
PREPAREDNESS

Under and by virtue of the authority vested in me by Reorganization Plan No. 1 of 1958, Reorganization Plan No. 1 of 1973, the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061, et seq.), the Disaster Relief Act of 1970, as amended (42 U.S.C. 4401, et seq.), and Section 301 of title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. The Secretary of Housing and Urban Development is designated and empowered to exercise, without the approval, ratification, or other action of the President:

(1) All authority vested in the President by the Disaster Relief Act of 1970, as amended, and assigned or delegated to the Director of the Office of Emergency Preparedness by Executive Order No. 11575 of December 31, 1970, as amended by Executive Order No. 11662 of March 29, 1972.

(2) All authority which was vested in the Office of Emergency Preparedness, or the Director thereof, by the Disaster Relief Act of 1970, as amended, and which was transferred to the President by Reorganization Plan No. 1 of 1973.

(3) All authority which was vested in the Director of the Office of Emergency Preparedness with respect to determining whether a major disaster has occurred within the meaning of (A) section 16 of the act of September 23, 1950, as amended, (20 U.S.C. 646), (B) section 7 of the act of September 30, 1950, as amended (20 U.S.C. 241-1), and (C) section 762(a) of the Higher Education Act of 1965 as added by section 161(a) of the Education Amendments of 1972, Public Law 92-318, 86 Stat. 288 at 299 (relating to the furnishing by the Commissioner of Education of disaster relief assistance for educational purposes), and which was transferred to the President by Reorganization Plan No. 1 of 1973.

(4) All authority vested in the Office of Emergency Preparedness or the Director thereof, including serving as Chairman of the National Council on Federal Disaster Assistance, by Executive Order No. 11526 of April 22, 1970.

(5) All authority vested in the Director of the Office of Emergency Preparedness by Executive Order No. 11678 of August 16, 1972, relating to the administration of certain temporary disaster relief provisions, and

(6) All other incidental authority relating to matters described in paragraphs (1) through (5) of this section that has been vested in the Office of Emergency Preparedness or the Director thereof by the President by Executive order, proclamation, letter, memorandum, or other form of directive, or otherwise.

SEC. 2. The Secretary of the Treasury is designated and empowered to exercise, without approval, ratification, or other action of the Presi-

dent, all authority which was vested in the Director of the Office of Emergency Preparedness by section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), and which was transferred to the President by Reorganization Plan No. 1 of 1973.

SEC. 3. All authority vested in the Director of the Office of Emergency Preparedness as of June 30, 1973, by Executive order, proclamation, or other directive issued by or on behalf of the President or otherwise, other than that specified in section 1 (relating to disaster relief), and section 2 (relating to import investigations) of this order, is hereby transferred to the Administrator of General Services who shall exercise such authority in conformance with such guidance as may be provided by the National Security Council and, with respect to the economic and disposal aspects of stockpiling of strategic and critical materials by the Council on Economic Policy. Those functions include, but are not limited to functions under—

(1) Executive Order No. 10242 of May 8, 1951, relating to employment of certain part-time and temporary advisory personnel under the Federal Civil Defense Act of 1950;

(2) Executive Order No. 10296 of October 2, 1951, as amended, relating to the designation of critical defense housing areas pursuant to section 101 of the Defense Housing and Community Facilities and Services Act of 1951, 42 U.S.C. 1591;

(3) Executive Order No. 10421 of December 31, 1952, as amended, relating to the protection of facilities important to the national security;

(4) Executive Order No. 10480 of August 14, 1953, as amended, relating to the administration of the Defense Production Act of 1950, as amended;

(5) Executive Order No. 10494 of October 14, 1953, relating to the liquidation of the Economic Stabilization Agency created under the Defense Production Act of 1950 as amended;

(6) Executive Order No. 10601 of March 21, 1955 (section 3), relating to the designation of strategic materials to be acquired in return for surplus agricultural commodities (Supplemental Stockpile);

(7) Executive Order No. 10634 of August 25, 1955, relating to loans under the Defense Production Act of 1950 with respect to defense facilities damaged by a major disaster;

(8) Executive Order No. 10705 of April 17, 1957, relating to the radio stations during time of war (see Executive Order No. 11556 of September 4, 1970);

(9) Executive Order No. 10900 of January 5, 1961, relating to the Supplemental Stockpile;

(10) Executive Order No. 10952 of July 20, 1961, relating to civil defense functions;

(11) Executive Order No. 10958 of August 14, 1961, relating to civil defense functions;

(12) Executive Order No. 11501 of September 27, 1962 (except sections 404(a) and 405), relating to nonmilitary emergency preparedness planning, particularly under the National Security Act of 1947, as amended, and related functions under the Defense Production Act of 1950, the Strategic and Critical Materials Stockpiling Act, the Supplemental Stockpile and the Buy American Act;

(13) Executive Order No. 11179 of September 22, 1964, relating to the National Defense Executive Reserve;

(14) Executive Order No. 11415 of June 24, 1968, relating to the National Health Resources Advisory Committee;

(15) Executive Order No. 11490 of October 28, 1969, relating to the assignment of emergency preparedness functions to Federal departments and agencies;

(16) Executive Order No. 11556 of September 4, 1970, relating to telecommunications contingency planning;

(17) Section 203(n) of the Federal Property and Administration Services Act of 1949, as amended (40 U.S.C. 484(n)), relating to the disposal of surplus property;

(18) All other incidental authority relating to matters described in paragraphs (1) through (17) of this section that has been vested in the Office of Emergency Preparedness or the Director thereof by the President by Executive order, proclamation, letter, memorandum, or other form of directive, or otherwise.

SEC. 4. All rules, regulations, orders, determinations, permits, contracts, certifications, licenses, and privileges (including all delegations of authority and delegations of authority to redelegate) which have been issued, made, granted, or allowed to become effective by the President, the Director of the Office of Emergency Preparedness, or the Office of Emergency Preparedness or any official thereof, in the performance of functions which are transferred by this order and which are in effect at the time this order takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Secretary of Housing and Urban Development, the Secretary of the Treasury, or the Administrator of General Services, as the case may be, or other authorized officials, or by operation of law.

SEC. 5. Pursuant to the authority vested in me by section 703 of the Defense Production Act of 1950 as amended (50 U.S.C. App. 2153), the Administrator is authorized to establish a subordinate agency within the General Services Administration to perform such of the functions under the Defense Production Act of 1950, as amended, as have been delegated to him under this order or any other Executive order, as the Administrator deems appropriate. The Administrator is authorized to appoint a head of that agency who shall be compensated at the rate now or hereafter established for level V of the Executive Schedule (5 U.S.C. 5316). That agency and its head shall perform such functions, in addition to functions under the Defense Production Act of 1950, as amended, as the Administrator may, from time to time, prescribe.

SEC. 6. (a) The transfer of functions accomplished by this Executive order shall in no way be deemed to diminish the need for, or the scope or priority of, the performance of those functions.

(b) All Federal executive departments and agencies are directed to cooperate fully with officials exercising authorities transferred under this order.

SEC. 7. Sections 404(a) and 405 of Executive Order No. 11051, as amended, are hereby revoked.

SEC. 8. This order shall be effective as of July 1, 1973.

RICHARD NIXON.

THE WHITE HOUSE, *June 27, 1973.*

DISASTER ASSISTANCE

Executive Order 11678

[37 Fed Reg. 16667]

PROVIDING FOR THE REPAIR AND RESTORATION OF NONPROFIT PRIVATE EDUCATIONAL INSTITUTIONS DAMAGED BY HURRICANE TROPICAL STORM AGNES

By virtue of the authority vested in me by section 301 of Title 3 of the United States Code, and as President of the United States, the Director of the Office of Emergency Preparedness, hereinafter referred to as the Director, is hereby empowered to exercise the authority conferred upon me by section 4 of the Act entitled "An Act to authorize for a limited period additional loan assistance under the Small Business Act for disaster victims, to provide a study and report to the Congress by the President setting forth recommendations for a comprehensive revision of disaster relief legislation, and for other purposes" without the approval, ratification or other action by the President. The Director may delegate or assign to the head of any agency of the executive branch of the Government, subject to the consent of the agency head concerned in each case, any authority or function delegated or assigned to the Director by the provisions of this Order. Any such head of agency may redelegate any authority or function so delegated or assigned to him by the Director to any officer or employee subordinate to such head of agency whose appointment is required to be made by and with the advice and consent of the Senate.

RICHARD NIXON.

THE WHITE HOUSE, *August 16, 1972.*

Executive Order 11662

[37 Fed. Reg. 6563]

FURTHER PROVIDING FOR THE ADMINISTRATION OF THE DISASTER RELIEF ACT OF 1970, AS AMENDED

By virtue of the authority vested in me by the Disaster Relief Act of 1970, as amended, Section 301 of title 3 of the United States Code, and as President of the United States, Executive Order No. 11575 of December 31, 1970, is amended by substituting "Disaster Relief Act of 1970, as amended" for "Disaster Relief Act of 1970." Any reference in any other order to the Disaster Relief Act of 1970 shall, after the date of this order, be deemed to refer to the Disaster Relief Act of 1970, as amended.

RICHARD NIXON.

THE WHITE HOUSE, *March 29, 1972.*

EARTHQUAKE HAZARDS REDUCTION

EXCERPTS FROM THE EARTHQUAKE HAZARDS REDUCTION ACT OF 1977

[Public Law 95-124, 91 Stat. 1098, 1103, 42 U.S.C. 7701]

* * * * *

§ 5. National earthquake hazards reduction program

(a) **ESTABLISHMENT.**—The President shall establish and maintain, in accordance with the provisions and policy of this Act, a coordinated earthquake hazards reduction program, which shall—

(1) be designed and administered to achieve the objectives set forth in subsection (c);

(2) involve, where appropriate, each of the agencies listed in subsection (d); and

(3) include each of the elements described in subsection (e), the implementation plan described in subsection (f), and the assistance to the States specified in subsection (g).

(b) **DUTIES.**—The President shall—

(1) within 30 days after the date of enactment of this Act, designate the Federal department, agency, or entity responsible for the development of the implementation plan described in subsection (f);

(2) within 210 days after such date of enactment, submit to the appropriate authorizing committees of the Congress the implementation plan described in subsection (f); and

(3) by rule, within 300 days after such date of enactment—

(A) designate the Federal department, agency, or inter-agency group which shall have primary responsibility for the development and implementation of the earthquake hazards reduction program;

(B) assign and specify the role and responsibility of each appropriate Federal department, agency, and entity with respect to each object and element of the program.

(C) establish goals, priorities, and target dates for implementation of the program;

(D) provide a method for cooperation and coordination with, and assistance (to the extent of available resources) to, interested governmental entities in all States, particularly those containing areas of high or moderate seismic risk; and

(E) provide for qualified staffing for the program and its components.

(c) **OBJECTIONS.**—The objectives of the earthquake hazards reduction program shall include—

(1) the development of technologically and economically feasible design and construction methods and procedures to make new and existing structures, in areas of seismic risk, earthquake resistant, giving priority to the development of such methods and procedures for nuclear power generating plants, dams, hospitals, schools, public utilities, public safety structures, high occupancy buildings, and other structures which are especially needed in time of disaster;

(2) the implementation in all areas of high or moderate seismic risk, of a system (including personnel, technology, and

procedures) for predicting damaging earthquake and for identifying, evaluating, and accurately characterizing seismic hazards;

(3) the development, publication, and promotion, in conjunction with State and local officials and professional organizations, of model codes and other means to coordinate information about seismic risk with land-use policy decisions and building activity;

(4) the development, in areas of seismic risk, of improved understanding of, and capability with respect to, earthquake-related issues, including methods of controlling the risks from earthquakes, planning to prevent such risks, disseminating warnings of earthquakes, organizing emergency services, and planning for reconstruction and redevelopment after an earthquake;

(5) the education of the public, including State and local officials, as to earthquake phenomena, the identification of locations and structures which are especially susceptible to earthquake damage, ways to reduce the adverse consequences of an earthquake, and related matters;

(6) the development of research on—

(A) ways to increase the use of existing scientific and engineering knowledge to mitigate earthquake hazards;

(B) the social, economic, legal, and political consequences of earthquake prediction; and

(C) ways to assure the availability of earthquake insurance or some functional substitute; and

(7) the development of basic and applied research leading to a better understanding of the control or alteration of seismic phenomena.

(d) PARTICIPATION.—In assigning the role and responsibility of Federal departments, agencies, and entities under subsection (b) (3) (B), the President shall, where appropriate, include the United States Geological Survey, the National Science Foundation, the Department of Defense, the Department of Housing and Urban Development, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the National Bureau of Standards, the Energy Research and Development Administration, the Nuclear Regulatory Commission, and the National Fire Prevention and Control Administration.

(e) RESEARCH ELEMENTS.—The research elements of the program shall include—

(1) research into the basic causes and mechanisms of earthquakes;

(2) development of methods to predict the time, place, and magnitude of future earthquakes;

(3) development of an understanding of the circumstances in which earthquakes might be artificially induced by the injection of fluids in deep wells, by the impoundment of reservoirs, or by other means;

(4) evaluation of methods that may lead to the development of a capability to modify or control earthquakes in certain regions;

(5) development of information and guidelines for zoning land in light of seismic risk in all parts of the United States and preparation of seismic risk analyses useful for emergency planning and community preparedness;

(6) development of techniques for the delineation and evaluation of the political effects of earthquakes, and their application on a regional basis;

(7) development of methods for planning, design, construction, rehabilitation, and utilization of manmade works so as to effectively resist the hazards imposed by earthquakes;

(8) exploration of possible social and economic adjustments that could be made to reduce earthquake vulnerability and to exploit effectively existing and developing earthquake mitigation techniques; and

(9) studies of foreign experience with all aspects of earthquakes.

(f) **IMPLEMENTATION PLAN.**—The President shall develop, through the Federal agency, department, or entity designated under subsection (b) (1), an implementation plan which shall set year-by-year targets through at least 1980, and shall specify the roles for Federal agencies, and recommended appropriate roles for State and local units of government, individuals, and private organizations, in carrying out the implementation plan. The plan shall provide for—

(1) the development of measures to be taken with respect to preparing for earthquakes, evaluation of prediction techniques and actual predictions of earthquakes, warning the residents of an area that an earthquake may occur, and ensuring that a comprehensive response is made to the occurrence of an earthquake;

(2) the development of ways for State, county, local, and regional governmental units to use existing and developing knowledge about the regional and local variations of seismic risk in making their land use decisions;

(3) the development and promulgation of specifications, building standards, design criteria, and construction practices to achieve appropriate earthquake resistance for new and existing structures;

(4) an examination of alternative provisions and requirements for reducing earthquake hazards through Federal and federally financed construction, loans, loan guarantees, and licenses;

(5) the determination of the appropriate role for insurance, loan programs, and public and private relief efforts in moderating the impact of earthquakes; and

(6) dissemination, on a timely basis, of—

(A) instrument-derived data of interest to other researchers;

(B) design and analysis data and procedures of interest to the design professions and to the construction industry; and

(C) other information and knowledge of interest to the public to reduce vulnerability to earthquake hazards.

When the implementation plan developed by the President under this section contemplates or proposes specific action to be taken by any Federal agency, department, or entity, and, at the end of the 30-day period beginning on the date the President submits such plan to the appropriate authorizing committees of the Congress any such action has not been initiated, the President shall file with such committees a report explaining, in detail, the reasons why such action has not been initiated.

(g) **STATE ASSISTANCE.**—In making assistance available to the States under the Disaster Relief Act of 1974 (42 U.S.C. 5121 et seq.), the President may make such assistance available to further the purposes of this Act, including making available to the States the results of research and other activities conducted under this Act.

(h) **PARTICIPATION.**—In carrying out the provisions of this section, the President shall provide an opportunity for participation by the appropriate representatives of State and local government and by the public, including representatives of business and industry, the design professions, and the research community, in the formulation and implementation of the program.

Such non-Federal participation shall include periodic review of the program plan, considered in its entirety, by an assembled and adequately staffed group of such representatives. Any comments on the program upon which such group agrees shall be reported to the Congress.

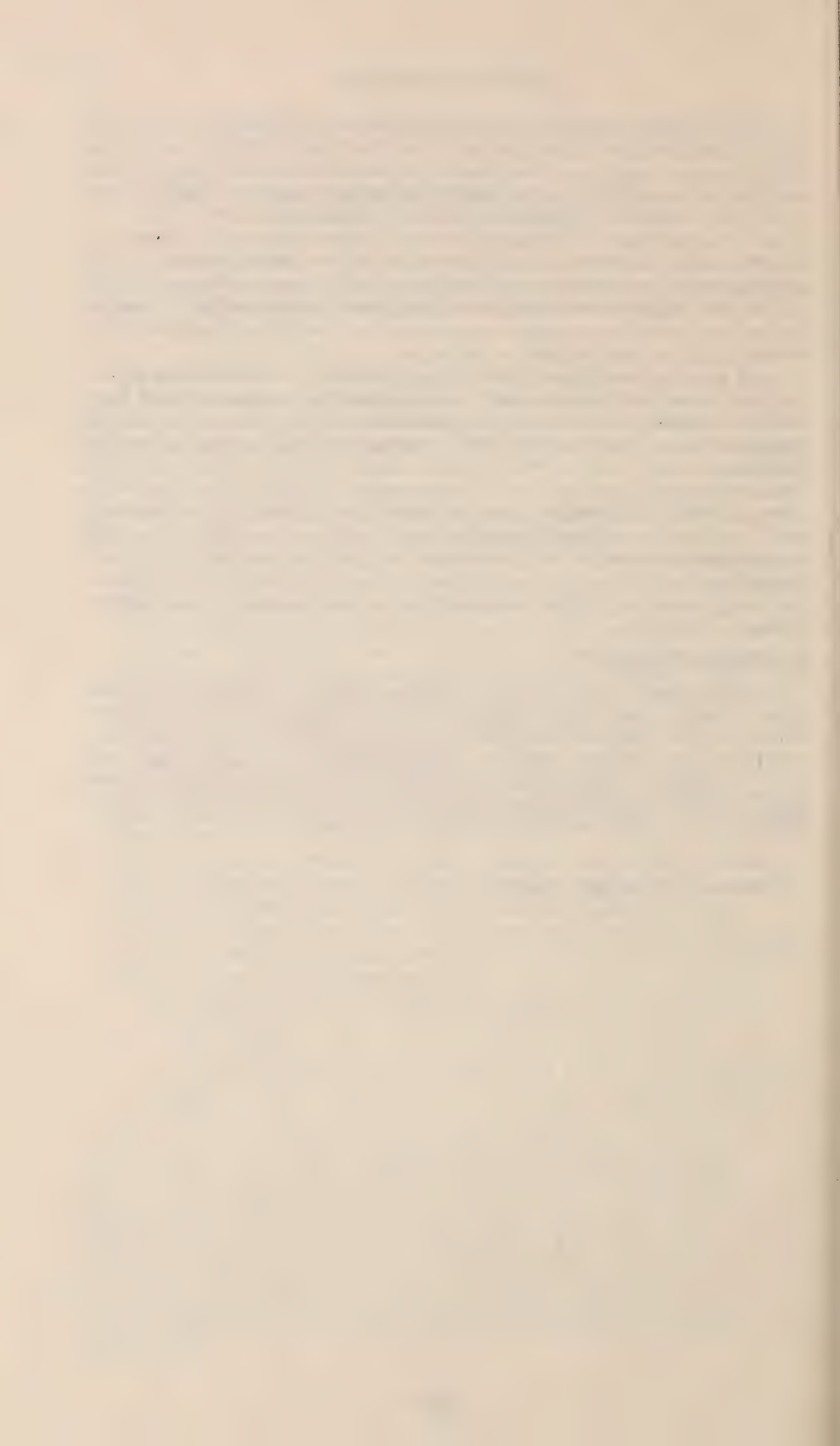
Measures developed pursuant to paragraph 5(f)(1) for the evaluation of prediction techniques and actual predictions of earthquakes shall provide for adequate non-Federal participation. To the extent that such measures include evaluation by Federal employees of non-Federal prediction activities, such measures shall also include evaluation by persons not in full-time Federal employment of Federal prediction activities.

§ 6. Annual Report

The President shall, within ninety days after the end of each fiscal year, submit an annual report to the appropriate authorizing committees in the Congress describing the status of the program, and describing and evaluating progress achieved during the preceding fiscal year in reducing the risks of earthquake hazards. Each such report shall include any recommendations for legislative and other action the President deems necessary and appropriate.

* * * * *

Approved October 7, 1977.



PRESIDENTIAL AND NATIONAL COMMITTEES

EXCERPTS FROM EXECUTIVE ORDER 12013

[42 Fed. Reg. 197]

RELATING TO THE TRANSFER OF CERTAIN STATISTICAL POLICY FUNCTIONS

* * * * *

SEC. 8. (a) There is hereby established the Statistical Policy Coordination Committee, hereinafter referred to as the Committee, which shall be composed of the following members, and such other heads of Executive agencies as the President may designate:

- (1) The Secretary of Commerce, who shall be the Chairman.
- (2) The Secretary of State.
- (3) The Secretary of the Treasury.
- (4) The Secretary of Defense.
- (5) The Attorney General.
- (6) The Secretary of the Interior.
- (7) The Secretary of Agriculture.
- (8) The Secretary of Labor.
- (9) The Secretary of Health, Education, and Welfare.
- (10) The Secretary of Housing and Urban Development.
- (11) The Secretary of Transportation.
- (12) The Secretary of Energy.
- (13) The Chairman, Council of Economic Advisers.
- (14) The Director of the Office of Management and Budget.
- (15) The Chairman, Board of Governors of the Federal Reserve

System is invited to be a member.

(b) The Chairman may designate any other member to act as Chairman during the absence of the Chairman. Each member of the Committee may designate an alternate to serve whenever the regular member is unable to attend any meeting. The Chairman may invite the heads of other Executive agencies or their alternates to participate in Committee deliberations whenever matters which affect the interests of such agencies are to be considered.

(c) The Committee shall advise and assist the President with respect to the improvement, development, and coordination of Federal and other statistical services, and shall perform such other related duties as the President may prescribe.

(d) The Secretary of Commerce, to the extent permitted by law, shall provide such administrative support and such funds as may be necessary to support the functions of the Committee.

(e) Executive agencies shall, to the extent permitted by law, provide such information and assistance as the Committee or the Chairman may request to assist in carrying out the functions of the Committee.

* * * * *

JIMMY CARTER.

THE WHITE HOUSE, *October 7, 1977.*

ENERGY COORDINATING COMMITTEE

Executive Order 12083 of September 27, 1978

[43 Fed. Reg. 44813]

By the authority vested in me as President by the Constitution of the United States of America, and in order to provide for the coordination of Federal energy policies, is hereby ordered as follows:

1-1. *Establishment of the Committee.*

1-101. There is established an Energy Coordinating Committee, hereinafter referred to as the Committee.

1-102. The Committee shall be composed of the following, and such other members as the President may, from time to time, designate.

- (a) The Secretary of Energy, who shall be the Chairman.
- (b) The Secretary of State.
- (c) The Secretary of the Treasury.
- (d) The Secretary of Defense.
- (e) The Attorney General.
- (f) The Secretary of the Interior.
- (g) The Secretary of Agriculture.
- (h) The Secretary of Commerce.
- (i) The Secretary of Labor.
- (j) The Secretary of Health, Education, and Welfare.
- (k) The Secretary of Housing and Urban Development.
- (l) The Secretary of Transportation.
- (m) The Special Representative for Trade Negotiations.
- (n) The Director of the Office of Management and Budget.
- (o) The Chairman of the Council of Economic Advisers.
- (p) The Chairman of the Council on Environmental Quality.
- (q) The Administrator of the Environmental Protection Agency.
- (r) The Director of the Office of Science and Technology Policy.
- (s) The Administrator of General Services.
- (t) The Director of the National Science Foundation.
- (u) The Assistant to the President for National Security Affairs.
- (v) The Assistant to the President for Domestic Affairs and Policy.
- (w) The Chairman of the Nuclear Regulatory Commission, who is invited to be a member.
- (x) The Director of the Community Services Administration.¹
- (y) The Chairman of the Council on Wage and Price Stability.¹

¹ Subsections 1-102 (x) and (y) were added by Executive Order 12121, 44 Fed. Reg. 11195, February 26, 1979.

1-2. *Functions of the Committee.*

1-201. The Committee shall insure that there is communication and coordination among Executive agencies concerning energy policy and the management of energy resources.

1-202. The Committee shall, from time to time, develop and consider recommendations for improvements in the implementation of Federal energy policies or the management of energy resources that involve two or more Executive agencies.

1-203. The functions of the Committee shall neither substitute for nor replace Executive Office of the President clearance, review, and decisionmaking procedures. Those procedures shall also be used for submitting to the President any of the conclusions or recommendations developed through the Committee's energy coordinating functions.

1-204. The Committee shall meet at the call of the Chairman.

1-3. *Executive Council.*

1-301. During periods when the Committee is not meeting, the functions of the Committee are delegated to an Executive Council. Meetings may be called by any regular member of the Council.

1-302. The Executive Council shall be composed of the following, and such others as may be appropriate due to the specific matters to be considered.

(a) The Chairman of the Committee, who shall be Chairman of the Executive Council.

(b) The Director of the Office of Management and Budget.

(c) The Chairman of the Council of Economic Advisers.

(d) The Assistant to the President for National Security Affairs.

(e) The Assistant to the President for Domestic Affairs and Policy.

1-4. *Revocation of a Prior Order.* Executive Order No. 11814, as amended, which provided for an Energy Resources Council, is revoked.

JIMMY CARTER.

EXCERPT FROM REHABILITATION ACT OF 1973

* * * * *

[Public Law 93-112, 87 Stat. 355]

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 502. (a) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed of the heads of each of the following departments or agencies (or their designees whose positions are Executive Level IV or higher) :

- (1) Department of Health, Education, and Welfare;
- (2) Department of Transportation;
- (3) Department of Housing and Urban Development;
- (4) Department of Labor;
- (5) Department of the Interior;

- (6) Department of Defense;¹
- (7) General Services Administration;
- (8) United States Postal Service; and
- (9) Veterans' Administration.

The Secretary of Health, Education, and Welfare shall be the Chairman of the Board, and the Board shall appoint, upon recommendation of the Secretary, a Consumer Advisory Panel, a majority of the members of which shall be handicapped individuals, to provide guidance, advice, and recommendations to the Board in carrying out its functions.²

(b) It shall be the function of the Board to: (1) insure compliance with the standards prescribed by the General Services Administration, the Department of Defense, and the Department of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968 (Public Law 90-480), as amended by the Act of March 5, 1970 (Public Law 91-205); (2) investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals, particularly with respect to public buildings and monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local), and residential and institutional housing; (3) determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standards prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make to the President and to Congress reports which shall describe in detail the results to its investigations under clauses (2) and (3) of this subsection; and (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers described in clause (2) of this subsection.

(c) The Board shall also (1) (A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems

¹ Sec. 111(n) (1) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, amended section 502(a) of the Rehabilitation Act of 1973, by redesignating clauses "(6)", "(7)", and "(8)" as clauses "(7)", "(8)", and "(9)", respectively, and inserting after clause "(5)" a new clause as follows: "(6) Department of Defense".

² Sec. 111(n) (2) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, added the last sentence of section 502(a).

(including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individuals or to meet sheltered housing needs; and (3) prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(d) In carrying out its functions under this Act,¹ the Board shall, directly or through grants to or contracts with public or private nonprofit organizations, carry out its functions under subsections (b) and (c) of this section, and shall conduct investigations, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). The provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review. Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building found not to be in compliance with standards prescribed pursuant to the Acts cited in subsection (b) of this section.²

(e) There shall be appointed by the Board an executive director and such other professional and clerical personnel as are necessary to carry out its functions under this Act.³ The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(f) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative or other assistance as it may require to carry out its functions under this section, and the Board may appoint such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section. Special advisory and technical experts and consultants appointed pursuant to this subsection shall, while performing their functions under this section, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily pay rate, for a person employed as a GS-18 under section 5332 of title 45, United States Code, including traveltime, and while serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of

¹ Sec. 111(o)(1) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, amended section 502(d) of the Rehabilitation Act of 1973, by deleting the words "section, the Board" and inserting in lieu thereof the following: "Act, the Board shall, directly or through grants to or contracts with public or private nonprofit organizations, carry out its functions under subsections (b) and (c) of this section, and".

² Sec. 111(o)(2) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, further amended section 502(d) of the Rehabilitation Act of 1973, by adding the last two sentences to this section.

³ Sec. 111(p) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, amended section 507(e) of the Rehabilitation Act of 1973, by inserting a new first sentence.

subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(g) The Board shall, at the end of each fiscal year,¹ report its activities during the preceding fiscal year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (5) and (6) of subsection (b) of this section. The Board shall prepare two final reports of its activities under subsection (c). One such report shall be on its activities in the field of transportation barriers to handicapped individuals, and the other such report on its activities in the field of the housing needs of handicapped individuals. The Board shall, not later than September 30, 1975,² submit each such report, together with its recommendations, to the President and the Congress. The Board shall also prepare for such submission an interim report of its activities in each such field within 18 months after the date of enactment of this Act.

(h) There are authorized to be appropriated for the purpose of carrying out the duties and functions of the Board under this section \$1,000,000 each for the fiscal years ending June 30, 1974, and June 30, 1975, \$1,500,000 for the fiscal year ending June 30, 1976,³ and \$1,500,000⁴ for the fiscal years ending September 30, 1977, and September 30, 1978.⁵

* * * * *

Approved September 26, 1973

PRESIDENT'S COMMITTEE ON MIGRATORY LABOR

Executive Order 10894

[25 Fed. Reg. 10913]

Whereas migratory labor plays an essential part in the Nation's economy, particularly in agriculture, in jobs of a temporary or seasonal nature; and

Whereas a substantial number of workers and their families migrate annually to find employment on farms and in rural communities, and perform services in many States; and

Whereas most of such workers are unskilled and have annual earnings that are low; travel and housing conditions that are often sub-

¹ Sec. 205(11) of the Fiscal Year Transition Act, Public Law 94-272, 90 Stat. 383, approved April 21, 1976, provides for treatment of the transition quarter period between July 1, 1976 through September 30, 1976 as part of the fiscal year beginning October 1, 1976.

² Sec. 111(q) of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, amended section 502(g) of the Rehabilitation Act of 1973, by deleting the words "prior to January 1" and inserting in lieu thereof the words "not later than September 30".

³ Sec. 110 of the Rehabilitation Act Amendments of 1974, Public Law 93-516, 89 Stat. 2-3, approved November 21, 1974, amended section 502(h) of the Rehabilitation Act of 1973, by striking out "and" immediately after "1975" and inserting before the period at the end thereof the following: "and \$1,500,000 for the fiscal year ending September 30, 1977".

⁴ Sec. 10 of the Rehabilitation Act Extension of 1976, Public Law 94-230, 90 Stat. 211, approved March 15, 1976, amended section 502(h) of the Rehabilitation Act of 1973 by striking out "and" immediately after "1975" and inserting before the period at the end thereof the following: "and \$1,500,000 for the fiscal year ending September 30, 1977".

⁵ Sec. 11(b)(13) of the Rehabilitation Act Extension of 1976, Public Law 94-230, 90 Stat. 211, approved March 15, 1976, further amended section 502(h) of the Rehabilitation Act of 1973 by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

standard; limited educational opportunities for their children because of migration; less access to community services than permanent residents; and, because of the seasonal or short-term nature of their employment, have difficulty in accumulating assets adequate for satisfactory living conditions; and

Whereas many of the workers and their families are handicapped in seeking economic and social attainments because of the seasonal nature of their employment; and

Whereas it is in the national interest to assist such migratory workers and their families in achieving working and living conditions more compatible with those of other workers in the Nation; and

Whereas on August 26, 1954, I established a Federal Interdepartmental Committee on Migratory Labor, later designated as the President's Committee on Migratory Labor, to assume leadership in developing cooperative relations in improving the social and economic welfare of our domestic migratory farm workers; and

Whereas, in order that the President's Committee on Migratory Labor may be enabled to make even greater progress toward the achievement of its objectives, it is now appropriate to consolidate its accomplishments and to provide for more formal Federal organization for its activities with respect to migratory labor programs, and with continuing recognition of the responsibility of the individual States in the field of migratory labor:

Now therefore, by virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

SECTION 1. (a) There is hereby established, subject to the provisions of this order, the President's Committee on Migratory Labor (hereinafter referred to as the Committee), which shall be composed of the Secretary of Labor, who shall be Chairman of the Committee, the Secretary of Agriculture, the Secretary of the Interior, the Secretary of Health, Education, and Welfare, and the Administrator of the Housing and Home Finance Agency.

(b) To assure effective functioning of the Committee and uninterrupted participation of each department and agency represented on the Committee, the head of each such department or agency shall designate an appropriate officer or employee of his department or agency as an alternate member to participate in the affairs of the Committee whenever the member may be absent or otherwise unable to participate.

(c) The Committee may request the head of any other Federal department or agency to designate a representative to participate in the affairs of the Committee as desirable in furthering the work of migratory labor programs.

SEC. 2. The Committee shall (1) maintain continuing review and assessment of the needs of migrant workers and their families, (2) aid the various Federal agencies in mobilizing, stimulating, and coordinating more effective programs and services for such migrants and in providing services to State and local areas through their constituent agencies, (3) facilitate and encourage the development of actions designed to promote improved living and working conditions of migratory workers, and (4) work with State and other public and non-public agencies in improving the living and working conditions of migratory workers. To these ends the Committee is empowered to enlist the aid and cooperation of Federal officials, Governors' Committees, local committees, national civil and church groups, and employer and worker organizations.

SEC. 3. The Departments and agencies represented on the Committee shall, as may be necessary for the purpose of effectuating the provisions of this order, furnish assistance to the Committee, including detailing of personnel, but excluding transfer of funds, in accordance with section 214 of the act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691). or any other applicable laws. The Department of Labor shall provide necessary space and facilities for the Committee.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *November 15, 1960.*

PRESIDENT'S COUNCIL ON AGING

Executive Order 11022

[27 Fed. Reg. 4659]

By virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

SECTION. 1. (a) There is hereby established the President's Council on Aging (hereinafter referred to as the "Council").

(b) ¹ The Council shall be composed of the Secretary of Health, Education, and Welfare, who shall be Chairman, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Labor, the Secretary of Transportation, the Secretary of the Treasury, the Chairman of the Civil Service Commission, the Administrator of Veterans' Affairs, and the Director of the Office of Economic Opportunity.

(c) The Chairman of the Council shall invite the head of any other Federal department or agency to attend any meeting of the Council at which any matter within or affecting the area of responsibility of such department or agency is considered and to be a temporary member with respect to such matter.

SEC. 2. The Council shall:

(a) Maintain a continuing study of the overall responsibilities of the Federal Government with respect to the problems of the aging and make recommendations to the President concerning policies and programs required to meet Federal responsibilities, particularly on matters which do not fall within the jurisdiction of a single agency.

(b) Identify matters which require coordinated action by two or more Federal agencies and make appropriate arrangements for joint or coordinated action, including, as appropriate, conferences, joint studies, and the development of recommendations to the President.

(c) Promote the sharing and dissemination of information on the needs of the aging and policies and programs relating to the aging, among Federal departments and agencies and between them and State, local, or private agencies and organizations having functions or interest in fields relating to the problems of the aging.

(d) Prepare an annual consolidated report to the President con-

¹ Subsec. (b) amended by Executive Order 11376 of October 17, 1967, 32 Fed. Reg. 14545, to show that the position of Secretary of Housing and Urban Development replaces the position of Administrator of the Housing and Home Finance Agency, and to add to the Council the Secretary of Transportation and the Director of the Office of Economic Opportunity.

cerning the activities of the Council and the several Federal departments and agencies having programs relating to the aging.

SEC. 3. (a) Consonant with law, each department or agency represented on the Council shall, as may be necessary for the effectuation of the purpose of this order, furnish assistance to the Council in accordance with Section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691).

(b) Other Federal departments and agencies are also authorized and directed, to the extent not inconsistent with law, to cooperate with the Council and to furnish it such information and assistance as it may find necessary in the performance of its functions.

SEC. 4. The Federal Council on Aging, established by a letter from the President to the Secretary of Health, Education, and Welfare, dated March 7, 1959, is hereby abolished and that letter is hereby superseded.

JOHN F. KENNEDY.

THE WHITE HOUSE, May 14, 1962.

PRESIDENT'S COUNCIL ON YOUTH OPPORTUNITY PROVIDING FOR THE COORDINATION OF YOUTH OPPORTUNITY PROGRAMS

Executive Order 11330

[32 Fed. Reg. 3871]

The promise and the future strength of the United States is in our youth.

We must meet the needs of youth so that the formative years will equip them for a productive role in society and prepare them for the responsibilities of citizenship.

Many youths, particularly those who live in impoverished areas, need special help in improving their lives and finding a place in the mainstream of our society.

Existing public services for youth need to be strengthened and improved and joined with private resources.

Programs and resources of Federal departments and agencies require coordination in order to provide continuity in planning and carrying out services to meet the needs of youth.

The summer months provide an exceptional opportunity to enhance the sound growth and guidance of youth through education, employment, recreation, and health services.

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

PART I. PRESIDENT'S COUNCIL ON YOUTH OPPORTUNITY

SECTION 101.¹ *Membership and chairmanship.* (a) There is hereby established the President's Council on Youth Opportunity (hereinafter referred to as the "Council"). The Council shall be composed of

¹ Executive Order 11547 of July 10, 1970, 35 Fed. Reg. 11221, amended sec. 101(a) to add to the President's Council on Youth Opportunity the Secretary of State, the Postmaster General, and the Secretary of Transportation, thereby increasing the membership from 11 to 14 Federal officials.

the Vice President, who shall serve as Chairman, the Secretary of State, the Secretary of Defense, the Attorney General, the Postmaster General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Director of the Office of Economic Opportunity, the Chairman of the Civil Service Commission, and such other Federal officials as the President may designate. Each of the foregoing may appoint a delegate to represent him in Council affairs.

(b) When matters which affect the interests of Federal agencies not represented on the Council are to be considered by the Council the Chairman shall invite the heads of such agencies to participate in the business of the Council.

SEC. 102. *Functions of the Council.* (a) The Council shall be responsible for (1) assuring effective program planning for summer and other youth programs of the Federal Government, (2) strengthening the coordination of youth programs and activities of Federal departments and agencies, (3) evaluating the over-all effectiveness of Federal youth opportunity programs, (4) encouraging State, local, nonprofit and other private organizations to participate fully in efforts to enhance opportunities for youth, and (5) reporting progress to the President.

(b) The scope of subsection (a) of this section extends to, but is not limited to, (1) programs to maximize meaningful employment for youth in cooperation with employers and agencies of Federal, State, and local governments, and with emphasis on types of employment leading to the acquisition of skills which will increase the employability of participants as members of the labor force; (2) programs to strengthen the educational achievements of youth through such means as preparatory courses conducted through school systems which will encourage youth to continue or resume their education, remedial and tutorial programs conducted in the communities by schools and colleges, and the use of summer and part-time employment as incentives; (3) programs to encourage and stimulate youth to become involved in improving their home neighborhoods; (4) programs designed to identify, diagnose, and treat the illness and handicapping conditions of youth who participate in these summer programs; (5) programs arranged through communities and private organizations to stimulate opportunities for youth to participate in cultural, recreational, and athletic activities or competitions; (6) programs utilizing the existing camping and recreational resources in Federal, State, and local parks, forests, and recreation areas, with a view to securing the support and participation of public authorities and private organizations concerned with youth in developing constructive outdoor or work-related opportunities which will benefit disadvantaged urban and rural youth by utilizing such facilities during the summer months; and (7) programs designed to increase opportunities for children of urban slums to spend part of their summers in the wholesome environment of families in other areas through the hospitality of such families and with the support and cooperation of private, nonprofit organizations.

SEC. 103. *Assistance and cooperation.* (a) Upon request of the Chairman, each Federal agency shall, to the extent permitted by law

and within available funds, furnish information, data, and reports needed by the Council to accomplish the purposes of this order.

(b) All Federal officials, in carrying out their statutory responsibilities and programs, shall be mindful of the objectives of this order, and shall take into account any advice given by the Council pursuant to this order, and shall take such measures, consistent with their authorities and available funds, as will assist in accomplishing the purposes of this order.

(c) The staff of the Council shall include an Executive Director, who shall be appointed by the Chairman of the Council, and such other employees as may be necessary, who shall be assigned by the various members of the Council.

PART II. CITIZENS ADVISORY BOARD ON YOUTH OPPORTUNITY

SEC. 201. *Establishment of Board.* (a) There is hereby established the Citizens Advisory Board on Youth Opportunity (hereinafter referred to as the "Board").

(b) The Board shall be composed of a Chairman and not more than fourteen other members, all of whom shall be appointed by the President. The Chairman shall serve as such until his successor is appointed by the President. Appointments of the other members of the Board shall be governed by the following: (1) The terms of those first appointed hereunder shall expire on July 1, 1969. (2) The immediate successors of the members so appointed shall be appointed, in as nearly equal numbers as may be, for terms of one year, two years, and three years. (3) Thereafter appointments shall be made for terms of three years.

SEC. 202. *Duties and responsibility.* (a) The Board shall advise both the President and the Council on matters relating to (1) ways and means of enhancing the opportunities of disadvantaged youth to achieve preparation for adult responsibility, (2) the coordination of programs and activities of Federal agencies which pertain to the needs of youth, and (3) local, State, and private action to extend and improve youth opportunity.

PART III. GENERAL PROVISIONS

SEC. 301. *Financing.* The Federal agencies headed by the officers composing the Council shall, as may be necessary, furnish assistance to the Council or the Board in accordance with the provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U.S.C. 691).

SEC. 302. *Expenses of Board members.* Members of the Board shall receive no compensation from the United States by reason of their service under this order but they may be allowed transportation expenses and per diem in lieu of subsistence or reimbursement for actual and necessary expenses (5 U.S.C. 5703(c)(d)).

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 5, 1967.

**ESTABLISHING THE PRESIDENT'S ADVISORY COUNCIL ON
MANAGEMENT IMPROVEMENT****Executive Order 11509****[35 Fed. Reg. 2857]**

Whereas, finding ways in which to improve management and efficiency in the executive branch meets a vital and continuing need; and

Whereas, it is essential that the resources of the executive branch which are devoted to the fulfillment of our international responsibilities and the needs of our citizens be managed and utilized in as effective a manner as possible; and

Whereas, the best management practices and techniques developed by individual Government agencies and by business and industry should be utilized in all Government agencies whenever applicable; and

Whereas, there is a need to review the progress of the Government's management improvement program and to furnish the President advice thereon; and

Whereas, it is desirable to give increased attention to the improvement of the management of executive agencies and programs:

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of the Council.* (a) There is hereby established the President's Advisory Council on Management Improvement (hereinafter referred to as the Council).

(b) The Council shall be composed of 10 members, all of whom shall be appointed by the President from among citizens outside the Government and who shall serve at the pleasure of the President. The President shall designate one of the members of the Council to serve as Chairman.

(c) Each member of the Council shall be entitled to receive compensation for each day he is engaged on business of the Council, and travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 3109 and 5703) for persons in the Government service employed intermittently.

SEC. 2. *Functions of the Council.* As requested by the President or the Director of the Bureau of the Budget, the Council shall, from time to time:

(a) Provide advice and assistance on Government-wide and inter-agency management problems.

(b) Make systematic appraisals of Government-wide operations to identify opportunities to improve efficiency and cost control.

(c) Carry forward the functions which were vested in the President's Advisory Council on Cost Reduction by Executive Order No. 11353 of May 23, 1967, as amended, but without regard to the time limitation contained therein.

(d) Provide for an interchange of ideas with responsible operating officials throughout the executive branch on opportunities for management improvement and appropriate action to achieve such improvement.

(e) Submit reports to the President containing appropriate recommendations for improving the efficiency of Government-wide operations.

SEC. 3. *Assistance by Federal agencies.* The Office of Executive Management, Bureau of the Budget, shall provide staff assistance to the Council and, upon request of the Chairman of the Council, other executive departments and agencies shall, consistent with law, furnish to the Council available information which the Council may require in performance of its functions.

SEC. 4. *Saving provision.* Nothing in this order shall derogate from the functions or status of the President's Advisory Council on Executive Organization established by the President on April 5, 1969.

SEC. 5. *Prior order.* Without prejudice to the provisions of section 2(c) hereof, the following are hereby revoked: (1) Executive Order No. 11353 of May 23, 1967, and (2) Executive Order No. 11418 of July 27, 1968.

RICHARD NIXON.

THE WHITE HOUSE, *February 11, 1970.*

EXCERPTS FROM PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1976

[Public Law 94-487, 90 Stat. 2331]

* * * * *

TITLE II

SEC. 201. (a) The President of the United States is authorized and requested to call a White House Conference on Balanced National Growth and Economic Development within one year of the date of enactment of this Act in order to develop recommendations for further action toward balanced national growth and economic development, and to take account of present conditions and trends as set forth in the report accompanying this Act. Such conference shall be planned and conducted under the direction of the domestic council with the cooperation and assistance of such other Federal departments and agencies, including the regional commissions established under the Appalachian Regional Development Act and title V of the Public Works and Economic Development Act.

(b) For the purpose of arriving at facts and recommendations concerning the utilization of skills, experience, and energies and the improvement of our country's social and economic needs, the conference shall assemble representatives of government, business, labor, and other citizens and representatives of institutions who could work together for balanced national growth and economic development.

(c) A final report of the White House Conference on Balanced National Growth and Economic Development shall be submitted to the President not later than one hundred and eighty days following the date on which the conference is called and findings and recommendations included therein shall be immediately made available to the public. The President shall, within ninety days after the submission of such final report, transmit to the Congress his recommendations for the administrative action and legislation necessary to implement the recommendations contained in such report.

* * * * *

SEC. 204. The President is authorized and directed to establish an Advisory Committee to the White House Conference on Balanced National Growth and Economic Development composed of fifteen members, of whom not less than five shall represent businesses in the private sector, and the Secretaries of the Departments of Commerce, Agriculture, Housing and Urban Development, and relevant Federal program managers.

* * * * *

Approved October 12, 1976.

CONSTRUCTION INDUSTRY

PROVIDING FOR THE STABILIZATION OF WAGES AND PRICES IN THE CONSTRUCTION INDUSTRY

Executive Order 11588

[36 Fed. Reg. 6339]

Whereas, the stabilization of wages and prices in the construction industry is essential to the maintenance of a strong national economy; and

Whereas, wages and prices in the construction industry have tended in recent years to increase at a rate greater than that for the economy as a whole; and

Whereas, the Congress has expressed its concern over the unrestrained rise in wages and prices through the enactment of the Economic Stabilization Act of 1970 (84 Stat. 799 as amended); and

Whereas, it was necessary to suspend the prevailing rate provisions of the Davis-Bacon Act in order to assist in alleviating the inflationary spiral of wages and prices in the construction industry, which suspension is no longer required due to the establishment of an equitable stabilization plan under this order; and

Whereas, the national leaders of labor and management in the construction industry have indicated, since the suspension of the Davis-Bacon Act, that under such an order they will participate with the Government in fair measures to achieve greater wage and price stability; but are unable to agree on any voluntary arrangement; and

Whereas, stabilization of wages and prices is most effectively achieved when accompanied by positive action of labor and management; and

Whereas, this order is required to establish an arrangement for the application of general criteria by an operating structure with a minimum of Government involvement and sanctions within which labor and management may act to effectuate the stabilization of wages and prices consistent with and in furtherance of effective collective bargaining in the industry.

Now, therefore, by virtue of the authority vested in me by the Economic Stabilization Act of 1970 (84 Stat. 799 as amended) and as President of the United States, it is ordered as follows:

SECTION 1. (a) A Construction Industry Stabilization Committee (hereafter referred to as "Committee") is hereby established to assure generally conformance of any increase in any wage or salary in the construction industry to the provisions of this order.

(b) The Committee shall be composed of twelve members appointed by the Secretary of Labor and selected as follows: four of the members shall be representative of labor organizations in the construction industry; four of the members shall be representative of employers in the construction industry; and four of the members shall be representative of the public. The Secretary of Labor shall appoint one of the public members as chairman of the committee.

SEC. 2. Associations of contractors and national and international unions shall jointly establish craft dispute boards (hereinafter referred to as "boards") to determine whether wages and salaries are acceptable in accordance with the criteria established in section 6. Each board shall be composed of appropriate labor and management representatives.

SEC. 3. (a) It shall be the responsibility of each board, in relation to the craft or branch over which it has jurisdiction, to provide advice and assistance in an effort to resolve any unresolved collective bargaining disputes involving wages and salaries and to promptly examine every collective bargaining agreement negotiated on or after the date of this order and to determine, in accordance with the criteria established in section 6, whether wage and salary increases in the agreement are acceptable and may thus be approved. The board shall make determinations within a reasonable time and shall notify the parties and the Committee of action taken. When it is determined by the board that a wage or salary increase is not acceptable, the board shall also notify the Secretary of Labor.

(b) Each board shall also have the authority to examine collective bargaining agreements negotiated prior to the date of this order which contain wage or salary increases scheduled to take effect on or after such date to determine whether any increase is unreasonably inconsistent with the criteria established in section 6.

SEC. 4. (a) Upon receipt of notification by a board that it has found a wage or salary increase acceptable, the Committee shall have fifteen days in which to determine whether it will assume jurisdiction over the matter. If the Committee does not determine within that time, and so notify the parties and the board, that it will assume jurisdiction, the board's determination will be deemed final and the increase may take effect. If the Committee determines that it will assume jurisdiction it shall be a violation of this order to implement the increase unless and until the Committee affirms the board's initial determination. The Committee shall notify the parties, the board and the Secretary of Labor of its final action.

(b) The Committee is also authorized, upon its own motion, if a board has not yet reported or an appropriate board has not been established, to review any proposed wage or salary increase to determine its acceptability.

(c) Unless and until an increase in wage or salary has been approved in accordance with the provisions of sections 3(a) and 4 of this order, it shall be a violation of this order to put such wage or salary increase into effect.

SEC. 5. Upon a determination by a board or the Committee that a proposed wage or salary increase is not acceptable and certification of that determination by the Secretary of Labor, the following actions shall be taken:

(a) In implementing the provisions of the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494, as amended) and related statutes the provisions of which are dependent upon determinations by the Secretary of Labor under the Davis-Bacon Act, and including state statutes or laws requiring similar wage standards, the Secretary of Labor and all states shall not take into consideration any wage or salary increase in excess of that found to be acceptable in making determinations under that Act and related statutes.

(b) In order to assure that unacceptable wage rates shall not be utilized in Federal or federally related construction, the heads of all Federal departments and agencies, subject to the direction and coordination of the Secretary of Labor:

(1) shall review all plans for construction and financial assistance for construction in localities in which wage or salary increases have been certified by the Secretary of Labor to be unacceptable and shall, on the basis of that review, determine whether such plans can be approved or continued; and

(2) shall review current and prospective construction contracts for Federal construction and for construction on projects receiving Federal financial assistance in the area affected by a certification by the Secretary of Labor and shall, on the basis of such review, determine whether such contracts can be awarded or continued.

(c) The Committee and the boards shall make public their determinations, specifying the craft and area affected and the wages or salaries deemed unacceptable.

(d) Any other action authorized by law to carry out the purposes and policy of this order shall be available to the Secretary of Labor to assure the stabilization of wages and prices in the construction industry.

SEC. 6. The following criteria shall be applied in determining whether any wage or salary increase is acceptable.

(a) Acceptable economic adjustments in labor contracts negotiated on or after the date of this order will be those normally considered supportable by productivity improvement and cost of living trends, but not in excess of the average of the median increases in wages and benefits over the life of the contract negotiated in major construction settlements in the period 1961 to 1968.

(b) Equity adjustments in labor contracts negotiated on or after the date of this order may, where carefully identified, be considered over the life of the contract to restore traditional relationships among crafts in a single locality and within the same craft in surrounding localities.

SEC. 7. The parties to a labor contract negotiated in the construction industry shall promptly submit that contract to the appropriate board or boards. Where there is no appropriate board to consider the acceptability of a proposed wage or salary increase, the affected national or international union, and the affected association of contractors shall promptly submit that contract to the Committee.

SEC. 8. The Interagency Committee on construction (hereinafter referred to as "Interagency Committee"), is hereby established to

develop criteria for the determination of acceptable prices in construction contracts as well as criteria for acceptable compensation, including bonuses, stock options and the like. Officers and employees of Federal departments and agencies shall be designated to serve as members of the Interagency Committee by the Secretary of Housing and Urban Development who shall also designate its chairman. The Interagency Committee shall consult with the Secretary of Labor, with major Government procurement agencies and with the Committee in developing such criteria and concerning the application of such criteria. Until criteria have been developed and applied and prices and compensation are determined to be unacceptable, prices, and compensation shall not be deemed in violation of this order.

SEC. 9. In the conduct of every Federal or federally assisted construction project or program the affected Federal agency shall assure the conformance of such project or program with the criteria established in section 8.

SEC. 10. The Committee and the Interagency Committee, subject to approval by the Secretary of Labor, and the Secretary of Labor are authorized to issue such rules and regulations as may be necessary to provide for the expeditious and effective conduct of their responsibilities under this order and to effectuate its purposes. Such authority of the Committee under this section shall include the authority to issue such rules and regulations as may be necessary to assure the effective operation of any board which may be established under this order, and to provide for the resolution of impasses within any board.

SEC. 11. (a) The term "construction" shall mean, for the purpose of this order (1) all work relating to the erecting, constructing, altering, remodeling, painting, or decorating of installations such as buildings, bridges, highways and the like, when performed on a contract basis, but shall not include maintenance work performed by workers employed on a permanent basis in a particular plant or facility for the purpose of keeping such plant or facility in efficient operating condition; (2) the transporting of materials and supplies to or from a particular building or project by the workers of the contractor or subcontractor performing the construction or the manufacturing of materials, supplies, or equipment on the site of a project by such workers; and (3) all other work classified as construction in section 5.2(g) of Part 5, Title 29 of the Code of Federal Regulations.

(b) The term "wage or salary" shall mean, for the purpose of this order, all wage or salary rate schedules and economic benefits established pursuant to a collective bargaining agreement in the construction industry.

SEC. 12. (a) Expenses of the Committee and the Interagency Committee shall be paid from such appropriations to the Department of Labor and other Federal agencies as may be made available therefor.

(b) All departments and agencies of the Federal Government are authorized and directed to cooperate with the Committee and the Interagency Committee in order that they may carry out their responsibilities under this order.

SEC. 13. There shall be periodic examination of the effectiveness of this order to determine whether further measures will be required to effectuate a stabilization of wages and prices in the construction industry.

SEC. 14. This Order shall be effective immediately.

RICHARD NIXON.

THE WHITE HOUSE, March 29, 1971.

NATIONAL CENTER FOR HOUSING MANAGEMENT

Executive Order 11668

[37 Fed. Reg. 8057-58]

By virtue of the authority vested in me as President of the United States and in accordance with the provisions of the Department of Housing and Urban Development Act, as amended (42 U.S.C. 3531 et seq.), Title VIII of the Housing Act of 1964, as amended (20 U.S.C. 801 et seq.), and Title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.) it is ordered as follows:

SECTION 1. *Policy.* The Nation's housing stock represents an important national resource which must be preserved and well managed if public and private investments are to be protected, and if we are to meet our goal of providing a decent home and suitable living environment for low and moderate income residents. The production of Federally-assisted housing has greatly expanded in recent years, creating a need for a balanced strategy to ensure that such housing remains viable for the purposes intended.

This expansion also creates a need for a growing supply of new management manpower for the years ahead. Special skills must be developed among these managers so that they can effectively overcome the social and economic problems facing many residents of Federally-assisted housing, including the elderly. Training, the improvement of career opportunities, and the upgrading of industry standards are all essential to the improvement of the Nation's housing management capability, particularly for low and moderate income housing.

SEC. 2. *Establishment of a National Center for Housing Management.*

(a) The Secretary of Housing and Urban Development is directed to call upon public-spirited citizens, dedicated and experienced in the appropriate disciplines, to create, in accordance with existing laws, a new, non-governmental, not-for-profit institution to serve as a National Center for Housing Management (referred to herein as the Center).

(b) The Center should be designed to provide objective and independent leadership at the national level in helping meet the Nation's housing management and training needs and should work cooperatively with the Department of Housing and Urban Development and with the public and private organizations and institutions involved in, or affected by, its activities.

SEC. 3. *Activities of the Center.* The activities of the Center should be developed along lines that include the following objectives:

(1) Development of training and educational programs for housing management and personnel;

(2) Cooperation with public and private national, State, and local organizations and institutions in extending housing management training and educational opportunities, using to the fullest extent possible

the services and facilities of existing agencies with expertise in training and education.

(3) Cooperation with national, State, and local organizations and institutions in establishing or expanding recruitment and placement systems that will link training in housing management to job opportunities in that field.

(4) Development of improved housing management practices and assistance in professionalizing the housing management industry; and

(5) Stimulating the creation of new management entities, and strengthening the effectiveness of existing management entities.

SEC. 4. *Assistance by Federal Agencies.* To the extent consistent with law, all other Federal executive departments and agencies shall cooperate and work with the Department of Housing and Urban Development and the Center in providing appropriate advice and financial support so as to ensure that the above described objectives are carried out with the most effective and efficient use of Federal, State and local resources, both public and private.

RICHARD NIXON.

THE WHITE HOUSE, April 21, 1972.

NATIONAL COUNCIL ON INDIAN OPPORTUNITY

Executive Order 11399

[33 Fed. Reg. 4245]

Whereas the United States has initiated a number of programs in various Departments that should be made available for the development and benefit of the Indian population; and

Whereas these programs should be adapted and coordinated in such manner that Indians will participate in and be benefited by them:

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of Council.*¹ There is hereby established The National Council on Indian Opportunity (hereinafter referred to as the "Council"). The Council shall have membership as follows: The Vice President of the United States who shall be the chairman of the Council, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Director of the Office of Economic Opportunity, and eight Indian leaders appointed by the President of the United States for terms of two years.

SEC. 2. *Functions of the Council.* The Council shall:

(a) Encourage full use of Federal programs to benefit the Indian population, adapting them where necessary to be available to Indians on reservations in a meaningful way.

(b) Encourage interagency coordination and cooperation in carrying out Federal programs as they relate to Indians.

(c) Appraise the impact and progress of Federal programs for Indians.

¹ Executive Order 11551 of August 11, 1970, 35 Fed. Reg. 12885, amended sec. 1 to enlarge the membership of the National Council on Indian Opportunity to include the Attorney General and to provide eight, rather than six, Indian leaders appointed by the President for terms of two years.

(d) Suggest ways to improve such programs.

SEC. 3. *Compensation and per diem.* Members of the Council who are officers of the Federal government shall receive no additional compensation by reason of this order. Other members of the Council shall be entitled to receive compensation and travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the government service employed intermittently (5 U.S.C. §§ 3109, 5703).

SEC. 4. *Assistance to the Council.* (a) Each Federal department and agency represented on the Council shall furnish such necessary assistance to the Council as may be authorized by section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691), or other law. The Department of the Interior shall furnish necessary administrative services for the Council.

(b) The staff of the Council shall include an Executive Director, who shall be appointed by the chairman of the Council, and such other employees as may be necessary, who shall be assigned by the departments and agencies represented on the Council.

SEC. 5. *Meetings.* The Council shall meet on call of the chairman.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 6, 1968.

COOPERATIVE AREA MANPOWER PLANNING SYSTEM

Executive Order 11422

[33 Fed. Reg. 11789]

Whereas Federal legislation enacted in recent years has established numerous manpower programs to improve the employability of disadvantaged, unemployed, and underemployed persons; and

Whereas administration of these manpower and related service programs requires extensive participation of State and local governments and nongovernment agencies; and

Whereas experience has demonstrated that close coordination of the operating programs at the local, State, and Federal levels is essential to their successful, effective, and economical implementation:

Now, therefore, by virtue of the authority vested in me by section 637 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2979), and as President of the United States, it is ordered as follows:

SECTION 1. *Policy.* (a) Cooperative planning and execution of manpower training and supportive manpower service programs is hereby established as the policy of the Federal Government.

(b) Each Federal executive department or agency administering manpower training or supportive manpower service programs shall, to the extent consistent with law, carry out its programs and exercise its functions so as to further the policy herein enunciated.

SEC. 2. *The Cooperative Area Manpower Planning System.* (a) The Cooperative Area Manpower Planning System (hereinafter referred to as CAMPS) is hereby recognized as a primary instrument for carrying out the policy stated in section above.

(b) The Departments of Labor; Health, Education, and Welfare; Commerce; Housing and Urban Development; Agriculture; and the Interior; the Office of Economic Opportunity; and the Civil Service

Commission, together with their affiliated organizations and such additional Federal executive departments and agencies as may be mutually agreed upon by them, shall participate in CAMPS for the purposes of cooperatively planning and executing manpower programs and supportive manpower service programs in urban and rural areas.

(c) Each department and agency included in CAMPS shall participate in manpower coordinating committees at the national and regional levels. The Secretary of Labor shall designate the chairmen of such committees. To the extent practical and necessary, each such department and agency shall also participate, either directly or through affiliated State, local, or nongovernmental organizations with which it maintains grant-in-aid or contractual relationships, in cooperative manpower planning at State and area levels.

(d) To the extent consistent with law, each department or agency included in CAMPS shall carry out its responsibilities with respect to Federal assistance, State and local planning, and utilization of resources so as to further the purposes of this order.

SEC. 3. *Administrative services.* In compliance with provisions of applicable law, and as necessary to effectuate the purposes of this order, the Department of Labor shall provide or arrange for administrative services and staff support for all CAMPS coordinating committees, and each Federal department or agency participating in CAMPS shall furnish such information and other assistance as may be necessary and available.

SEC. 4. *Construction.* Nothing in this order shall be construed as subjecting any Federal department or agency or the head thereof, or any function vested by law in or assigned pursuant to law to any such department, agency, or head, to the authority of any other department, agency, or head.

LYNDON B. JOHNSON.

THE WHITE HOUSE, August 15, 1968.

REORGANIZATION PLAN NO. 2 OF 1970

[35 Fed. Reg. 7959]

*Prepared by the President and Transmitted to the Senate and the House of Representatives in Congress Assembled, March 12, 1970, Pursuant to the Provisions of Chapter 9 of Title 5 of the United States Code*¹

OFFICE OF MANAGEMENT AND BUDGET; DOMESTIC COUNCIL

PART I. OFFICE OF MANAGEMENT AND BUDGET

SECTION 101. *Transfer of functions to the President.* There are hereby transferred to the President of the United States all functions vested by law (including reorganization plan) in the Bureau of the Budget or the Director of the Bureau of the Budget.

SEC. 102. *Office of Management and Budget.* (a) The Bureau of the Budget in the Executive Office of the President is hereby designated as the Office of Management and Budget.

(b) The offices of Director of the Bureau of the Budget and Deputy Director of the Bureau of the Budget, and the offices of Assistant

¹ Effective July 1, 1970, under the provisions of section 301 of the plan.

Directors of the Bureau of the Budget which are established by statute (31 U.S.C. 16a and 16c), are hereby designated Director of the Office of Management and Budget, Deputy Director of the Office of Management and Budget, and Assistant Directors of the Office of Management and Budget, respectively.

(c) There shall be within the Office of Management and Budget not more than six additional officers, as determined from time to time by the Director of the Office of Management and Budget (hereinafter referred to as the Director). Each such officer shall be appointed by the Director, subject to the approval of the President, under the classified civil service, shall have such title as the Director shall from time to time determine, and shall receive compensation at the rate now or hereafter prescribed for offices and positions at Level V of the Executive Schedule (5 U.S.C. 5316).

(d) The Office of Management and Budget and the Director shall perform such functions as the President may from time to time delegate or assign thereto. The Director, under the direction of the President, shall supervise and direct the administration of the Office of Management and Budget.

(e) The Deputy Director of the Office of Management and Budget, the Assistant Directors of the Office of Management and Budget designated by this reorganization plan, and the officers provided for in subsection (c) of this section shall perform such functions as the Director may from time to time direct.

(f) The Deputy Director (or during the absence or disability of the Deputy Director or in the event of a vacancy in the office of Deputy Director, such other officials of the Office of Management and Budget in such order as the President may from time to time designate) shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of Director.

SEC. 103. *Records, property, personnel, and funds.* The records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations and other funds of the Bureau of the Budget shall, upon the taking effect of the provisions of this reorganization plan, become records, property, personnel, and unexpended balances of the Office of Management and Budget.

* * * * *

PART III. TAKING EFFECT

SEC. 301. *Effective date.* The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1970, whichever is later.

RELATING TO THE DOMESTIC POLICY STAFF, THE OFFICE OF DRUG ABUSE POLICY, AND THE ECONOMIC OPPORTUNITY COUNCIL

Executive Order 12045 of March 27, 1978

[43 Fed. Reg. 13347]

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including Section 7 of Reorganiza-

tion Plan No. 1 of 1977 (42 FR 56101 (October 21, 1977)), Section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, in order to provide for transfers of the functions of the Office of Drug Abuse Policy, the Domestic Council, and the Economic Opportunity Council, and the abolition of the Office of Drug Abuse Policy, and Domestic Council, and the Economic Opportunity Council and for other purposes, it is hereby ordered as follows:

SECTION 1. (a) The transfer of all functions of the Domestic Council, as provided by Section 5D of Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

(b) The redesignation of the Domestic Council Staff as the Domestic Policy Staff and the other provisions of Section 1 of Reorganization Plan No. 1 of 1977 (42 FR 56101), are hereby effective.

(c) The abolition of the Domestic Council, as provided by Section 3A of Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

(d) The Domestic Policy Staff shall perform such functions as the President may from time to time direct.

SEC. 2. (a) The transfer of all functions of the Office of Drug Abuse Policy and its Director, as provided by Section 5C of Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

(b) The abolition of the Office of Drug Abuse Policy, as provided by Section 3B of Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

(c) The Domestic Policy Staff shall assist the President in the performance of the functions transferred by Section 5C of Reorganization Plan No. 1 of 1977 (42 FR 56101).

SEC. 3. (a) The transfer of all functions of the Economic Opportunity Council, as provided by Section 5G of Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

(b) The abolition of the Economic Opportunity Council, as provided by Section 3D Reorganization Plan No. 1 of 1977 (42 FR 56101), is hereby effective.

SEC. 4. All provisions of Reorganization Plan No. 1 of 1977 (42 FR 56101) not made effective on or prior to the effective date of this Order are hereby effective.

SEC. 5. The records, property, personnel, and unexpended balances of appropriations, available or to be made available, which relate to the functions transferred, assigned, or delegated as provided in this Order are hereby transferred as appropriate.

SEC. 6. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers or reassignments provided in this Order, including the transfer of funds, records, property, and personnel.

SEC. 7. This Order shall be effective March 26, 1978.

JIMMY CARTER.

THE WHITE HOUSE, *March 27, 1978.*

PROVIDING FOR STABILIZATION OF PRICES, RENTS, WAGES, AND SALARIES

EXCERPTS FROM EXECUTIVE ORDER 11615

[36 Fed. Reg. 15727]

* * * * *

SEC. 2. (a) There is hereby established the Cost of Living Council which shall act as an agency of the United States and which is hereinafter referred to as the Council.

(b) The Council shall be composed of the following members: The Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Housing and Urban Development,¹ the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Director of the Office of Emergency Preparedness, the Special Assistant to the President for Consumer Affairs, and such others as the President may, from time to time, designate.² The Secretary of the Treasury shall serve as Chairman of the Council and the Chairman of the Council of Economic Advisers shall serve as Vice Chairman. The Chairman of the Board of Governors of the Federal Reserve System shall serve as adviser to the Council.

* * * * *

RICHARD NIXON.

THE WHITE HOUSE, *August 15, 1971.*

TRANSFER OF THE FEDERAL FIRE COUNCIL TO THE DEPARTMENT OF COMMERCE

Executive Order 11654

[37 Fed. Reg. 5361]

By virtue of the authority vested in me as President of the United States, and in furtherance of the purpose and policy of the Fire Research and Safety Act of 1968 (15 U.S.C. 278f-278g), it is hereby ordered as follows:

SECTION 1. The Federal Fire Council, an advisory agency in matters relating to the protection of Federal employees and property from fire, which was established within the General Services Administration by Executive Order No. 7397 of June 20, 1936, as amended by Executive Order No. 10257 of June 23, 1951, is hereby transferred to and established in the Department of Commerce. The Federal Fire Council, hereinafter referred to as the Council, shall, in the exercise of its functions, be responsible to the Secretary of Commerce. The Secretary or his designee shall serve as Chairman of the Council.

SEC. 2. Members of the Council, who shall serve without additional compensation, shall be officers or employees of the various departments

¹ Executive Order 11617 of September 2, 1971, 36 Fed. Reg. 17813, added the Secretary of Housing and Urban Development to the Cost of Living Council.

² Executive Order 11640 of January 26, 1972, 37 Fed. Reg. 1213, inserted "and such others as the President may, from time to time, designate."

and agencies of the Federal Government, and of the Government of the District of Columbia designated by the respective heads thereof. Each department and agency, and the Government of the District of Columbia, shall be entitled to designate one member of the Council and may designate such additional members as the governing body of the Council may authorize.

SEC. 3. The Council shall have a governing body composed of the Chairman of the Council, who shall also serve as its Chairman, and representatives of the Secretaries of the Interior, Health, Education, and Welfare, Housing and Urban Development, the Army, the Navy, and the Air Force and of the Administrator of General Services. The Chairman shall appoint such other officers and committees as he may deem necessary to carry out the functions of the Council.

SEC. 4. The Council is authorized to develop standards, procedures, and forms, and, on request, to conduct surveys or such other investigations as may be necessary to determine what measures should be taken to safeguard life and property from the hazards of fire, including review of plans for new construction. The Council is also authorized to make such independent studies of Federal buildings and property as it may deem desirable from the standpoint of fire protection and to maintain a record of fire losses on Government property.

SEC. 5. The Council shall report the results of such investigations and studies to the head of the agency concerned, together with its recommendations.

SEC. 6. In case of fires involving Government records, the agency concerned should notify the National Archives and Records Service of the General Services Administration and obtain its advice as to methods by which the maximum salvage of the records involved may be secured.

SEC. 7. In carrying out their functions under this order, the Council, its governing body, and the Secretary of Commerce shall consult, as appropriate, with the Federal Advisory Council on Occupational Safety and Health, established by Executive Order No. 11612 of July 26, 1971.

SEC. 8. Executive Orders No. 7397, of June 20, 1936, and No. 10257 of June 23, 1951, are hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *March 13, 1972.*

TITLE 3—THE PRESIDENT

Executive Order 11892

AMENDING EXECUTIVE ORDER NO. 11647 RELATING TO FEDERAL REGIONAL COUNCILS

On February 10, 1972, I formally established Federal Regional Councils for each of the ten Federal regions, and established an Under Secretaries Group for Regional Operations to strengthen and improve services to the public at the regional level. I have now determined that the mandate of the Federal Regional Councils should be broadened to include the coordination of direct Federal program assistance to State and local governments (as well as grant assistance as now provided), that the membership of the Councils and the Under Secretaries Group

for Regional Operations should be changed, and that the Deputy Director of the Office of Management and Budget should be substituted as Chairman of the Under Secretaries Group in place of the Associate Director of that agency.

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in order to include the Department of Commerce and the Federal Energy Administration in the Regional Council System and thus expand interagency cooperation and improve the coordination of services to the States, consistent with Section 401(d) of the Intergovernmental Cooperation Act of 1968 (82 Stat. 1103, 42 U.S.C. 4231(d)), it is hereby ordered as follows:

SECTION 1. Subsection (a) of Section 1 of Executive Order No. 11647 of February 10, 1972, as amended by Executive Order No. 11731 of July 23, 1973, is amended to read as follows:

SECTION 1. *Federal Regional Councils.* (a) There is hereby continued a Federal Regional Council for each of the ten standard Federal regions. The President shall designate one member of each Council as Chairman. Representatives of the Office of Management and Budget may participate in any deliberations of each Council. Each Council shall be composed of the principal regional officials of the following departments and agencies:

- (1) The Department of the Interior.
- (2) The Department of Agriculture.
- (3) The Department of Commerce.
- (4) The Department of Labor.
- (5) The Department of Health, Education, and Welfare.
- (6) The Department of Housing and Urban Development.
- (7) The Department of Transportation.
- (8) The Community Services Administration.
- (9) The Environmental Protection Agency.
- (10) The Federal Energy Administration.
- (11) The Law Enforcement Assistance Administration.

(b) Each member of each Council may designate an alternate who shall serve as a member of the Council involved whenever the regular member is unable to attend any meeting of the Council.

(c) When the Chairman determines that matters which significantly affect the interests of the Federal agencies which are not represented on any such Council are to be considered by the Council, he shall invite the regional director or other appropriate representative of the agency involved to participate in the deliberations of the Council.

SEC. 2. *Functions of the Council.* Each Federal Regional Council shall be constituted as a body within which the participating agencies will, under the general policy formulation of the Under Secretaries Group, and to the maximum extent feasible, assist State and local government by the coordination of the Federal program grants and operations through:

- (1) the development of better ways to deliver the benefits of Federal programs over the short term;
- (2) the development of integrated program and funding plans with Governors and local chief executives;
- (3) the encouragement of joint and complementary Federal grant

applications by local and State governments;

(4) the expeditious resolution of conflicts and problems which may arise between Federal agencies;

(5) the evaluation of programs in which two or more member agencies participate;

(6) the development of more effective ways of allocating Federal resources to meet the long-range needs of State and local communities;

(7) the supervision of regional interagency program coordination mechanisms; and

(8) the development of administrative procedures to improve day-to-day cooperation on an interagency and intergovernmental basis.

SEC. 3. *Under Secretaries Group for Regional Operations.* (a) The Under Secretaries Group for Regional Operations is hereby continued and shall be composed of the following:

(1) The Under Secretary of the Interior.

(2) The Under Secretary of Agriculture.

(3) The Under Secretary of Commerce.

(4) The Under Secretary of Labor.

(5) The Under Secretary of Health, Education, and Welfare.

(6) The Under Secretary of Housing and Urban Development.

(7) The Deputy Secretary of Transportation.

(8) The Deputy Director of the Community Services Administration.

(9) The Deputy Administrator of the Environmental Protection Agency.

(10) The Deputy Administrator of the Federal Energy Administration.

(11) The Administrator of the Law Enforcement Assistance Administration.

(12) An Associate Director of the Domestic Council.

(13) The Deputy Director of the Office of Management and Budget, who shall be Chairman.

(b) When the Chairman determines that matters which significantly affect the interests of a Federal agency not represented on the Group are to be considered by the Group, he shall invite an appropriate representative of the agency involved to participate in the deliberations of the Group.

(c) The Under Secretaries Group for Regional Operations shall, consistent with the objectives and priorities established by the President and the Domestic Council, establish policy with respect to Federal Regional Council matters provide guidance to the Council, respond to their initiatives, and seek to resolve policy issues referred to it by the Councils. The Under Secretaries Group, under the Chairmanship of the Deputy Director of the Office of Management and Budget, shall be responsible for the proper functioning of the system established by this Order.

GERALD R. FORD.

THE WHITE HOUSE, *December 31, 1975.*

EXCERPT FROM EXECUTIVE ORDER 11647

[Sections 1, 2 and 3 Amended by E.O. 11731]

SEC. 4. *Construction.* Nothing in this Order shall be construed as

subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law to any such agency or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

RICHARD NIXON.

THE WHITE HOUSE, *February 10, 1972.*

EXECUTIVE ORDER 11603

[36 Fed. Reg. 12675]

By virtue of the authority vested in me by the Peace Corps Act (75 Stat. 612, as amended; 22 U.S.C. 2501-2523) and section 301 of Title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

* * * * *

PART IV—NATIONAL VOLUNTARY ACTION PROGRAM

SEC. 401. The National Voluntary Action Program to encourage and stimulate more widespread and effective voluntary action for solving public domestic problems, established in the Executive Branch of the Government by section 1 of Executive Order No. 11470 of May 26, 1969, is hereby transferred to ACTION. That program shall supplement corresponding action by private and other non-Federal organizations such as the National Center for Voluntary Action. As used in Parts IV and V of this Order, the term "voluntary action" means the contribution or application of non-governmental resources of all kinds (time, money, goods, services, and skills) by private and other organizations of all types (profit and nonprofit, national and local, occupational, and altruistic) and by individual citizens.

SEC. 402. In addition to the functions assigned to the Peace Corps National Advisory Council by section 12 of the Peace Corps Act, the Council shall, upon the request of the Director, advise and assist him with respect to any function assigned to him by Reorganization Plan No. 1 or this Order and, to the extent permitted by law, shall perform such other duties as the Director may from time to time prescribe. In addition to such duties, the Council shall—

(a) Promote more widespread reliance and recognition of voluntary activities within the Federal Government and in State and local governments.

(b) Advise and participate in the development of new Federal initiatives for encouraging voluntary action.

PART V—DIRECTOR OF ACTION

SEC. 501. In addition to the functions vested in him by Reorganization Plan No. 1 of 1971 and Parts I-IV of this Order, the Director shall—

(a) Encourage local, national and international voluntary activities directed toward the solution or mitigation of community problems.

(b) Provide for the development and operation of a clearinghouse for information on Government programs designed to foster voluntary action.

(c) Initiate proposals for the greater and more effective application of voluntary action in connection with Federal programs, and coordinate, as consistent with law, Federal activities involving such action.

(d) Make grants of seed money, as authorized by law, for stimulating the development or deployment of innovative voluntary action programs directed toward community problems.

SEC. 502. (a) The head of each Federal department and agency, or a representative designated by him, when so requested by the Director, shall, to the extent permitted by law and funds available, furnish information and assistance, and participate in all ways appropriate to carry out the objectives of this Order and Reorganization Plan No. 1 of 1971.

(b) The head of each Federal department or agency shall, when so requested by the Director, designate a senior official to have primary and continuing responsibility for the participation and cooperation of that department or agency in matters concerning voluntary action.

(c) The head of each Federal department or agency, or his designated representative, shall keep the Director informed of all proposed budgets, plans, and programs of his department or agency affecting the voluntary action program.

* * * * *

PART VI—GENERAL PROVISIONS

* * * * *

SEC. 604. (a) To the extent permitted by law, so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred to the Director or to ACTION by this Order as the Director of the Office of Management and Budget shall determine shall be transferred to ACTION at such time or times as the latter Director shall direct.

(b) To the extent permitted by law, such further measures and dispositions as the Director of the Office of Management and Budget shall deem to be necessary in order to effectuate the provisions of this Order shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

* * * * *

SEC. 605. Executive Order Nos. 11041, 11250, and 11470 are hereby superseded.

SEC. 606. The Order shall become effective on July 1, 1971.

RICHARD NIXON.

THE WHITE HOUSE, *June 30, 1971.*

ESTABLISHING THE ADVISORY COUNCIL ON INTERGOVERNMENTAL PERSONNEL POLICY**Executive Order 11607****[36 Fed. Reg. 13317]**

As State and local governments are playing an ever increasing role in meeting the Nation's most pressing domestic problems, there now exists a clear national interest in achieving a high caliber of public service at all levels of government. It is especially important that the country direct greater attention to policies and approaches for strengthening the quality of State and local public administration consistent with merit principles.

Now, therefore, by virtue of the authority vested in me by section 102 of the Intergovernmental Personnel Act of 1970 (84 Stat. 1910), and as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of the Council.* (a) There is hereby established the Advisory Council on Intergovernmental Personnel Policy (hereinafter referred to as the Council).

(b) The Council shall be composed of not more than 15 members, all appointed by the President, and shall consist primarily of officials of the Federal Government and State and local governments, but shall also include members selected from educational and training institutions or organizations, public employee or labor organizations, and the general public. At least half of the governmental members shall be State and local officials. The President shall designate a Chairman and a Vice Chairman from among the members of the Council.

(c) Members of the Council who are not full-time employees of the United States, while serving on the business of the Council, including travel time, may be compensated at rates not exceeding the rate now or hereafter prescribed by section 5332 of Title 5 of the United States Code for GS-18 of the General Schedule; and may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of Title 5 of the United States Code for persons in the Government service employed intermittently.

SEC. 2. *Functions of the Council.* The Council shall study and make recommendations on intergovernmental personnel policies and programs for the purpose of—

(1) improving the quality of public administration at State and local levels of government, particularly in connection with programs that are financed in whole or in part from Federal funds;

(2) strengthening the capacity of State and local governments to deal with complex problems confronting them;

(3) aiding State and local governments in training their professional, administrative, and technical employees and officials;

(4) aiding State and local governments in developing systems of personnel administration that are responsive to the goals and needs of their programs and effective in attracting and retaining capable employees; and

(5) facilitating temporary assignments of personnel between the Federal Government and State and local governments and institutions of higher education.

SEC. 3. *Assistance by Federal Agencies.* The Civil Service Commis-

sion shall provide staff assistance to the Council, and upon request of the Chairman of the Council, other executive departments and agencies shall, consistent with law, furnish to the Council available information which may be required in the performance of its functions.

SEC. 4. *Reports.* (a) The Council shall from time to time report its findings and recommendations to the President and to the Congress.

(b) Not later than 18 months from this date, the Council shall submit an initial report on its activities which shall include its views and recommendations on—

(1) the feasibility and desirability of extending merit policies and standards to additional Federal-State grant-in-aid programs;

(2) the feasibility and desirability of extending merit policies and standards to grant-in-aid programs of a Federal-local character;

(3) appropriate standards for merit personnel administration, where applicable, including those established by regulations with respect to existing Federal grant-in-aid programs; and

(4) the feasibility and desirability of financial and other incentives to encourage State and local governments in the development of comprehensive systems of personnel administration based on merit principles.

RICHARD NIXON.

THE WHITE HOUSE, *July 19, 1971.*

PLANNING, ACQUISITION, AND MANAGEMENT OF FEDERAL SPACE

Executive Order 11512

[35 Fed. Reg. 3979]

Repealed.¹

By virtue of the authority vested in me by the Federal Property and Administrative Services Act of 1949, as amended, and as President of the United States, it is hereby ordered as follows:

SECTION 1. The Administrator of General Services (hereinafter termed "the Administrator") shall initiate and maintain plans and programs for the effective and efficient acquisition and utilization of federally owned and leased space located in the States of the United States or in the District of Columbia or in Puerto Rico (hereinafter termed "in the United States"), and for which the Administrator is responsible. The Administrator shall prepare and issue standards and criteria for the use of such space and shall periodically undertake surveys of space requirements and space utilization in the executive agencies and initiate actions and formulate programs to meet the essential space requirements of executive agencies. In carrying out these functions, the Administrator shall (a) coordinate proposed programs and plans for buildings and space with the Bureau of the Budget, (b) obtain from the Civil Service Commission, the Office of Emergency Preparedness, and the Department of Defense any information in the possession of those agencies which may bear upon such programs and plans, (c) coordinate proposed programs and plans for buildings and space in a manner designed to exert a positive economic and social influence on the development or redevelopment of the areas in which such facilities will be located, (d) seek the cooperation of the heads

¹ Repealed by Executive Order 12072, 43 Fed. Reg. 36869, August 16, 1978.

of the executive agencies concerned with any of the foregoing, and (e) annually submit long-range plans and programs for the acquisition, modernization, and use of space for approval by the President.

SEC. 2. (a) The Administrator, and the heads of executive agencies, shall be guided by the following policies for the acquisition, assignment, reassignment, and utilization of office buildings and space in the United States:

(1) Material consideration shall be given to the efficient performance of the missions and programs of the executive agencies and the nature and function of the facilities involved, with due regard for the convenience of the public served and the maintenance and improvement of safe and healthful working conditions for employees;

(2) Consideration shall be given in the selection of sites for Federal facilities to the need for development and redevelopment of areas and the development of new communities, and the impact a selection will have on improving social and economic conditions in the area. In determining these conditions the Administrator shall consult with and receive advice from the Secretary of Housing and Urban Development; the Secretary of Health, Education, and Welfare; the Secretary of Commerce, and others, as appropriate;

(3) Maximum use shall be made of existing Government-owned permanent buildings which are adequate or economically adaptable to the space needs of executive agencies;

(4) Suitable privately owned space shall be acquired only when satisfactory Government-owned space is not available, and only at rental charges which are consistent with prevailing rates in the community for comparable facilities;

(5) Space planning and assignments shall take into account the objective of consolidating agencies and constituent parts thereof in common or adjacent space for the purpose of improving management and administration;

(6) The availability of adequate low- and moderate-income housing, adequate access from other areas of the urban center, and adequacy of parking will be considered; and

(7) Proposed developments shall be, to the greatest extent practicable, consistent with State, regional, and local plans and programs; and Governors, local elected officials, and regional comprehensive planning agencies shall be consulted in the planning of such developments.

(b) The Administrator shall plan, acquire, and manage space in the United States upon his determination that such actions will serve to improve the management and administration of governmental activities and services, and will foster the programs and policies of the Federal Government. Prior to making such determinations, the Administrator shall consult with the heads of the executive agencies concerned and take into account their requirements, consistent with the criteria stated here and his other responsibilities. The Administrator shall advise the agency head in writing of his intended course of action and notify him that in the event of disagreement the affected agency head may within thirty days make a written request for review of the matter through the Director of the Bureau of the Budget, to the President.

SEC. 3. The heads of executive agencies shall (a) cooperate with and assist the Administrator in carrying out his responsibilities respecting

buildings and space, (b) take measures to give the Administrator early notice of new or changing space requirements, (c) seek to economize in their requirements for space, and (d) review continuously their needs for space in and near the District of Columbia, taking into account the feasibility of decentralizing services or activities which can be carried on elsewhere without excessive costs or significant loss of efficiency.

SEC. 4. The provisions of this order shall be subject to applicable provisions of law (including applicable provisions of any reorganization plan).

SEC. 5. Executive Order No. 11035 of July 9, 1962, is hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *February 27, 1970.*

FEDERAL SPACE MANAGEMENT

[Executive Order 12072, 43 Fed. Reg. 36869]

By the authority vested in me as President of the United States of America by Section 205(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 486(a)), and in order to prescribe appropriate policies and directives, not inconsistent with that Act and other applicable provisions of law, for the planning, acquisition, utilization, and management of Federal space facilities, it is hereby ordered as follows:

1-1 *Space Acquisition.*

1-101. Federal facilities and Federal use of space in urban areas shall serve to strengthen the Nation's cities and to make them attractive places to live and work. Such Federal space shall conserve existing urban resources and encourage the development and redevelopment of cities.

1-102. Procedures for meeting space needs in urban areas shall give serious consideration to the impact a site selection will have on improving the social, economic, environmental, and cultural conditions of the communities in the urban area.

1-103. Except where such selection is otherwise prohibited, the process for meeting Federal space needs in urban areas shall give first consideration to a centralized community business area and adjacent areas of similar character, including other specific areas which may be recommended by local officials.

1-104. The process of meeting Federal space needs in urban areas shall be consistent with the policies of this Order and shall include consideration of the following criteria:

(a) Compatability of the site with State, regional, or local development, redevelopment, or conservation objectives.

(b) Conformity with the activities and programs of other Federal agencies.

(c) Impact on economic development and employment opportunities in the urban area, including the utilization of human, natural, cultural, and community resources.

(d) Availability of adequate low and moderate income housing for Federal employees and their families on a nondiscriminatory basis.

PRESIDENTIAL AND NATIONAL COMMITTEES

(e) Availability of adequate public transportation and parking and accessibility to the public.

1-105. Procedures for meeting space needs in urban areas shall be consistent with the policies of this Order and shall include consideration of the following alternatives:

(a) Availability of existing Federally controlled facilities.

(b) Utilization of buildings of historic, architectural, or cultural significance within the meaning of section 105 of the Public Buildings Cooperative Use Act of 1976 (90 Stat. 2507, 40 U.S.C. 612a).

(c) Acquisition or utilization of existing privately owned facilities.

(d) Construction of new facilities.

(e) Opportunities for locating cultural, educational, recreational, or commercial activities within the proposed facility.

1-106. Site selection and space assignments shall take into account the management needs for consolidation of agencies or activities in common or adjacent space in order to improve administration and management and effect economies.

1-2. *Administrator of General Services.*

1-201. The Administrator of General Services shall develop programs to implement the policies of this Order through the efficient acquisition and utilization of Federally owned and leased space. In particular, the Administrator shall:

(a) Select, acquire, and manage Federal space in a manner which will foster the policies and programs of the Federal government and improve the management and administration of government activities.

(b) Issue regulations, standards, and criteria for the selection, acquisition, and management of Federally owned and leased space.

(c) Periodically undertake surveys of space requirements and space utilization in the executive agencies.

(d) Ensure, in cooperation with the heads of Executive agencies, that their essential space requirements are met in a manner that is economically feasible and prudent.

(e) Make maximum use of existing Federally controlled facilities which, in his judgment, are adequate or economically adaptable to meeting the space needs of executive agencies.

(f) Annually submit long-range plans and programs for the acquisition, modernization, and use of space for approval by the President.

1-202. The Administrator is authorized to request from any Executive agency such information and assistance deemed necessary to carry out his functions under this Order. Each agency shall, to the extent not prohibited by law, furnish such information and assistance to the Administrator.

1-203. In the process of meeting Federal space needs in urban areas and implementing the policies of this Order, the Administrator shall:

(a) Consider the efficient performance of the missions and programs of the agencies, the nature and function of the facilities involved, the convenience of the public served, and the maintenance and improvement of safe and healthful working conditions for employees.

(b) Coordinate proposed programs and plans for facilities and space with the Director of the Office of Management and Budget.

(c) Consult with appropriate Federal, State, regional, and local government officials and consider their recommendations for and objections to a proposed selection site or space acquisition.

(d) Coordinate proposed programs and plans for facilities and space in a manner designed to implement the purposes of this Order.

(e) Prior to making a final determination concerning the location of Federal facilities, notify the concerned Executive agency of an intended course of action and take into account any additional information provided.

1-204. In ascertaining the social, economic, environmental and other impacts which site selection would have on a community, the Administrator shall, when appropriate, obtain the advice of interested agencies.

1-3. *General Provisions.*

1-301. The heads of Executive agencies shall cooperate with the Administrator in implementing the policies of this Order and shall economize on their use of space. They shall ensure that the Administrator is given early notice of new or changing missions or organizational realignments which affect space requirements.

1-302. Executive agencies which acquire or utilize Federally owned or leased space under authority other than the Federal Property and Administrative Services Act of 1949, as amended, shall conform to the provisions of this Order to the extent they have the authority to do so.

1-303. Executive Order No. 11512 of February 27, 1970, is revoked.

JIMMY CARTER.

THE WHITE HOUSE, August 16, 1978.

EXCERPTS FROM TITLE 42, UNITED STATES CODE

SUBCHAPTER I.—WATER RESOURCES COUNCIL

SEC. 1962a. *Establishment; composition; other Federal agency participation; designation of Chairman.*—There is hereby established a Water Resources Council (hereinafter referred to as the "Council") which shall be composed of the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Administrator of the Environmental Protection Agency,¹ and the Chairman of the Federal Power Commission. The Chairman of the Council shall request the heads of other Federal agencies to participate with the Council when matters affecting their responsibilities are considered by the Council. The Chairman of the Council shall be designated by the President.

SEC. 1962a-1. *Powers and duties.*—The Council shall—

(a) maintain a continuing study and prepare an assessment biennially, or at such less frequent intervals as the Council may determine, of the adequacy of supplies of water necessary to meet the water requirements in each water resource region in the United States and the national interest therein; and

(b) maintain a continuing study of the relation of regional or river basin plans and programs to the requirements of larger

¹ Sec. (a) of Public Law 94-112, 89 Stat. 575, approved October 16, 1975, deleted "the Secretary of Health, Education, and Welfare" and inserted in lieu thereof "the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Administrator of the Environmental Protection Agency".

regions of the Nation and of the adequacy of administrative and statutory means for the coordination of the water and related land resources policies and programs of the several Federal agencies; it shall appraise the adequacy of existing and proposed policies and programs to meet such requirements; and it shall make recommendations to the President with respect to Federal policies and programs.

SEC. 1962a-2. *Establishment of principles, standards, and procedures for preparation of regional or river basin plans and Federal projects; revision of river basin planning commission plans.*—The Council shall establish, after such consultation with other interested entities, both Federal and non-Federal, as the Council may find appropriate, and with the approval of the President, principles, standards, and procedures for Federal participants in the preparation of comprehensive regional or river basin plans and for the formulation and evaluation of Federal water and related land resources projects. Such procedures may include provision for Council revision of plans for Federal projects intended to be proposed in any plan or revision thereof being prepared by a river basin planning commission.

SEC. 1962a-3. *Review of river basin commission plans; report to President and Congress.*—

Upon receipt of a plan or revision thereof from any river basin commission under the provisions of section 1962b-3(3) of this title, the Council shall review the plan or revision with special regard to—

(1) the efficacy of such plan or revision in achieving optimum use of the water and related land resources in the area involved;

(2) the effect of the plan on the achievement of other programs for the development of agricultural, urban, energy, industrial, recreational, fish and wildlife, and other resources of the entire Nation; and

(3) the contributions which such plan or revision will make in obtaining the Nation's economic and social goals.

Based on such review the Council shall—

(a) formulate such recommendations as it deems desirable in the national interest; and

(b) transmit its recommendations, together with the plan or revision of the river basin commission and the views, comments, and recommendations with respect to such plan or revision submitted by any Federal agency, Governor, interstate commission, or United States section of an international commission, to the President for his review and transmittal to the Congress with his recommendations in regard to authorization of Federal projects.

EXCERPT FROM MILLER ACT¹

[40 U.S.C. § 270]

§ 270a. Bonds of contractors for public buildings or works; waiver of bonds covering contract performed in foreign country

(a) Before any contract, exceeding \$2,000 in amount, for the construction, alteration, or repair of any public building or public work of the United States is awarded to any person, such person shall furnish to the United States the following bonds, which shall become binding upon the award of the contract to such person, who is herein-after designated as "contractor":

(1) A performance bond with a surety or sureties satisfactory to the officer awarding such contract, and in such amount as he shall deem adequate, for the protection of the United States.

(2) A payment bond with a surety or sureties satisfactory to such officer for the protection of all persons supplying labor and material in the prosecution of the work provided for in said contract for the use of each such person. Whenever the total amount payable by the terms of the contract shall be not more than \$1,000,000 the said payment bond shall be in a sum of one-half the total amount payable by the terms of the contract. Whenever the total amount payable by the terms of the contract shall be more than \$1,000,000 and not more than \$5,000,000, the said payment bond shall be in a sum of 40 per centum of the total amount payable by the terms of the contract. Whenever the total amount payable by the terms of the contract shall be more than \$5,000,000 the said payment bond shall be in the sum of \$2,500,000.

(b) The contracting officer in respect of any contract is authorized to waive the requirement of a performance bond and payment bond for so much of the work under such contract as is to be performed in a foreign country if he finds that it is impracticable for the contractor to furnish such bonds.

(c) Nothing in this section shall be construed to limit the authority of any contracting officer to require a performance bond or other security in addition to those, or in cases other than the cases specified in subsection (a) of this section.

(d)² Every performance bond required under this section shall specifically provide coverage for taxes imposed by the United States which are collected, deducted, or withheld from wages paid by the contractor in carrying out the contract with respect to which such bond is furnished. However, the United States shall give the surety or sureties on such bond written notice, with respect to any such unpaid taxes attributable to any period, within ninety days after the date when such contractor files a return for such period, except that no such notice shall be given more than one hundred and eighty days from the date when a return for the period was required to be filed under the Internal Revenue Code of 1954 [26 USCS § 1 et seq.]. No suit on such bond for such taxes shall be commenced by the United

¹ Miller Act of Aug. 24, 1935, 40 U.S.C. § 270 *et seq.* (1935), as amended by Act of Aug. 4, 1959, P.L. 86-135, 73 Stat. 279 (1959), and Act of Nov. 2, 1966, P.L. 89-719, 80 Stat. 1139 (1966).

² Added by Act of Nov. 2, 1966, P.L. 89-719, 80 Stat. 1139 (1966).

States unless notice is given as provided in the preceding sentence, and no such suit shall be commenced after the expiration of one year after the day on which such notice is given.

§ 270b. Same; rights of persons furnishing labor or material

(a) Every person who has furnished labor or material in the prosecution of the work provided for in such contract, in respect of which a payment bond is furnished under this Act [40 USCS §§ 270a et seq.] and who has not been paid in full therefor before the expiration of a period of ninety days after the day on which the last of the labor was done or performed by him or material was furnished or supplied by him for which such claim is made, shall have the right to sue on such payment bond for the amount, or the balance thereof, unpaid at the time of institution of such suit and to prosecute said action to final execution and judgment for the sum or sums justly due him: Provided, however, That any person having direct contractual relationship with a subcontractor but no contractual relationship express or implied with the contractor furnishing said payment bond shall have a right of action upon the said payment bond upon giving written notice to said contractor within ninety days from the date on which such person did or performed the last of the labor or furnished or supplied the last of the material for which such claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the material was furnished or supplied or for whom the labor was done or performed. Such notice shall be served by mailing the same by registered mail, postage prepaid, in an envelope addressed to the contractor at any place he maintains an office or conducts his business, or his residence, or in any manner in which the United States marshal of the district in which the public improvement is situated is authorized by law to serve summons.

(b)¹ Every suit instituted under this section shall be brought in the name of the United States for the use of the person suing, in the United States District Court for any district in which the contract was to be performed and executed and not elsewhere, irrespective of the amount in controversy in such suit, but no such suit shall be commenced after the expiration of one year after the day on which the last of the labor was performed or material was supplied by him. The United States shall not be liable for the payment of any costs or expenses of any such suit.

§ 270c. Same; right of person furnishing labor or material to copy of bond

The Comptroller General is authorized and directed to furnish, to any person making application therefor who submits an affidavit that he has supplied labor or materials for such work and payment therefor has not been made or that he is being sued on any such bond, a certified copy of such bond and the contract for which it was given, which copy shall be prima facie evidence of the contents, execution,

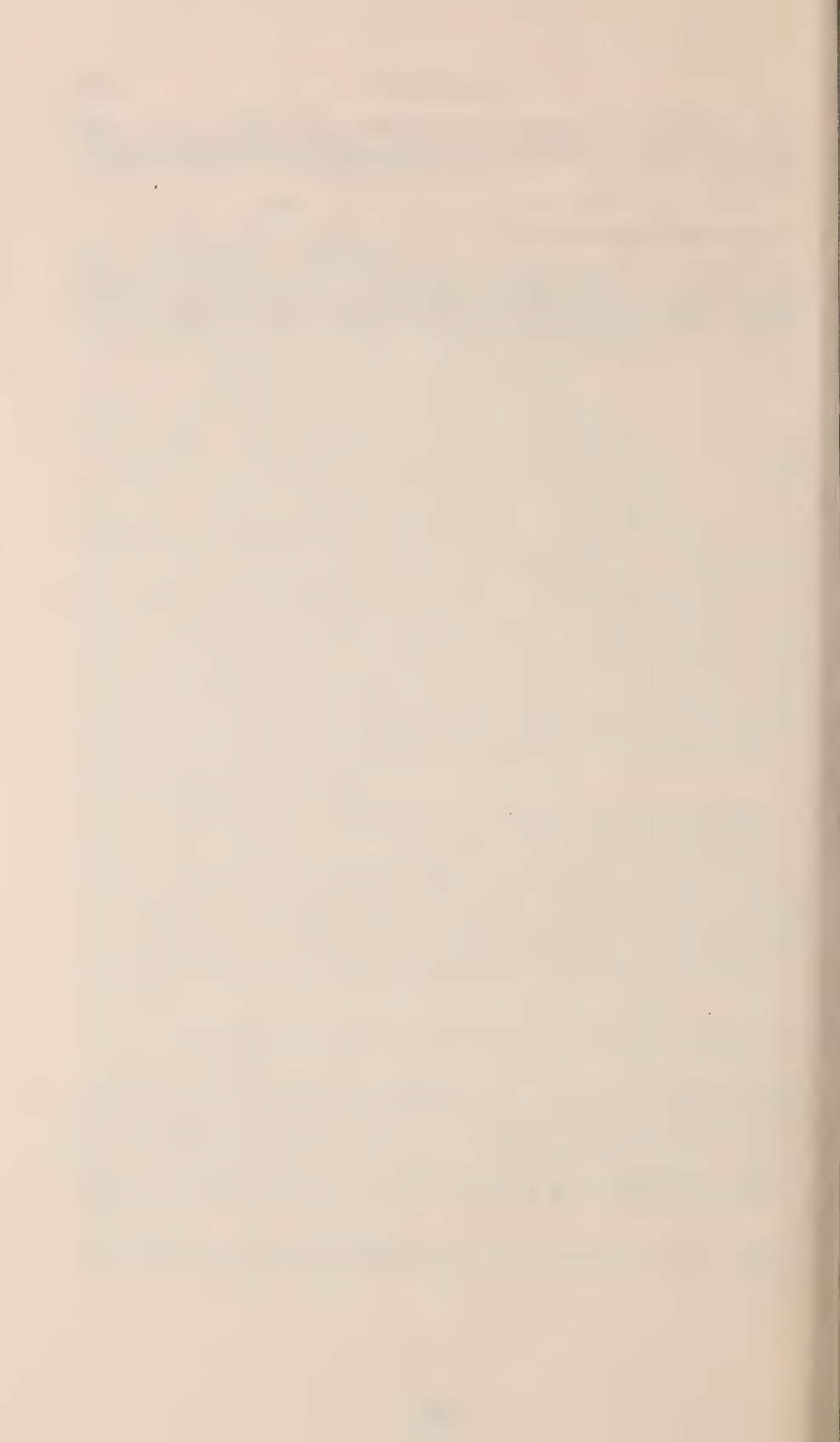
¹ Amended by Act of Aug. 4, 1959, Public Law 86-135, § 1, 73 Stat. 279 (1959). This Act substituted "day on which the last of the labor was performed or material was supplied by him" for "date of final settlement of such contract."

and delivery of the original. Applicants shall pay for such certified copies such fees as the Comptroller General fixes to cover the cost of preparation thereof.²

* * * * *

Approved August 24, 1935.

² Amended by Act of Aug. 4, 1959, Public Law 86-135, § 2, 73 Stat. 279 (1959). The Act deleted "and, in case final settlement of such contract has been made, a certified statement of the date of such settlement, which shall be conclusive as to such date upon the parties" following "delivery of the original"; and deleted "and certified statements" following "such certified copies".



GLOSSARY

(Special Terms and References Used in Connection with Housing and Community Development Activities Under Laws in This Compilation)

ACRONYMS AND ABBREVIATED CITATIONS

- ACC—Annual Contributions Contracts—public housing.
EPA—Environmental Protection Agency.
FmHA—Farmers Home Administration.
FHLBB—Federal Home Loan Bank Board.
FHLMC—Federal Home Loan Mortgage Corporation (Freddie Mac).
FHA—Federal Housing Administration.
FNMA—Federal National Mortgage Association (Fannie Mae).
FSLIC—Federal Savings and Loan Insurance Corporation.
GNMA—Government National Mortgage Association (Ginnie Mae).
HUD—Department of Housing and Urban Development.
LHA—Local Housing Authority.
LPA—Local Public Agency.
NDP—Neighborhood Development Program (urban renewal).
NHP—National Housing Partnership.
PMI—Private Mortgage Insurance—insurance of mortgages by private insurers.
PUD—Planned Unit Development.
REIT—Real Estate Investment Trust.
VA—Veterans' Administration.
Title I—Block grant program for community development (Housing and Community Development Act of 1974.)
Title I—Urban renewal program—being terminated by Housing and Community Development Act of 1974 (Housing Act of 1949).
Title I—Loan insurance programs, HUD—primarily property improvement loans (National Housing Act).
Sec. 8—"Assistance payments" to owners or prospective owners of rental housing to cover part of rent of low-income tenants (Housing and Community Development Act of 1974).
Sec. 23—Low-rent housing provided by public housing agencies in housing leased from private owners (U.S. Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974).
Sec. 202—Loans by HUD for rental housing for the elderly and handicapped (Housing Act of 1959).
Sec. 203—Regular mortgage insurance for 1- to 4-family homes, HUD, continuing the original FHA program for such housing.
Sec. 207—Regular mortgage insurance for multifamily housing, HUD, continuing traditional FHA program for such housing.

Sec. 213—Mortgage and loan insurance, HUD, for cooperative housing (National Housing Act).

Sec. 221(d)(3)—HUD-insured mortgages bearing below market interest rates and financing new or rehabilitated rental housing for displaced families or low or moderate income families (National Housing Act).

Sec. 223(e)—The 1968 liberalization of traditional underwriting standards in HUD mortgage insurance for properties in older and declining neighborhoods deemed "reasonably viable."

Sec. 231—Mortgage insurance, HUD, for new or rehabilitated rental housing for the elderly or handicapped (National Housing Act).

Sec. 232—Mortgage insurance, HUD, for new or rehabilitated nursing homes (National Housing Act).

Sec. 235—Interest reduction payments by HUD and FmHA on home mortgages of lower income families (National Housing Act).

Sec. 236—Interest reduction payments by HUD and FmHA for rental and cooperative housing for lower income families (National Housing Act).

Sec. 312—Rehabilitation loans by HUD for owners or tenants of homes or business properties in deteriorating areas where applicants are unable to secure funds from other sources upon comparable terms and conditions (Housing Act of 1964).

Sec. 701—Grants to public agencies to assist comprehensive planning (Housing Act of 1954).

A-95—Circular issued by Office of Management and Budget to coordinate Federal assistance programs to States and local governments which have "significant impact on area and community development."

ASSISTANCE PAYMENTS—Federal payments (directly or through local public housing agency) to owners or prospective owners of rental housing to pay part of rent of lower income tenants (Sec. 8, Housing and Community Development Act of 1974). See "Interest-Reduction Payments"

BELOW MARKET INTEREST RATE—HUD-insured mortgages financing homes for lower income families and displaced families bearing interest rates lower than the market rate, with Federal Government bearing cost of difference in rates by purchase of mortgages. (Sec. 221(d)(3), National Housing Act).

Block Grants—grants by HUD on a noncategorical formula basis to assist community development and rehabilitation, including slum and blight elimination, conservation of housing, increased public services, improved use of land, and preservation of property (Title I, Housing and Community Development Act of 1974).

Coinurance—HUD insurance of a mortgage, advance, or loan with the lender assuming a percentage of the loss on the insured obligation—experimental program (Sec. 244, National Housing Act).

Commitment—an agreement to make or purchase a mortgage loan at a future date—or—an agreement to insure a mortgage at a future date if prescribed conditions are met by the mortgagee. Under HUD mortgage insurance, a traditional administration distinction exists between a special type of commitment known as a "conditional commitment" and other commitments known as "firm commitments." Under the for-

mer, a commitment is made to insure a mortgage (on a specific property for a definite loan amount) to be given by a future purchaser of the property involved if such a purchaser meets certain eligibility requirements. The term "standby commitment" is commonly used in the secondary market for residential mortgages to describe a commitment to purchase a mortgage loan or loans with specific terms, both parties understanding that the purchase is not likely to be completed unless particular circumstances make that advantageous to the seller of the mortgage. These commitments are typically used to enable the borrower to obtain construction financing at a lower cost on the assumption that permanent financing of the project will be available on more favorable terms than under the commitment when the project is completed and generating income.

Condominiums—multifamily housing projects with individual units owned by occupants, who also own an undivided interest in the common areas and facilities of the project.

Cooperatives—multifamily housing projects owned by cooperative corporations with the stockholders of the corporations having the right to occupancy of the units.

Cost Certification—A limitation, under HUD mortgage insurance for multifamily housing, on the amount of a mortgage eligible for insurance, which limitation is determined after completion of the project on the basis of the builder's certification as to the actual dollar amount of his costs for specific items of construction and prescribed related expenditures. Under this requirement, the insured mortgage is limited to a fixed percentage of that certified amount.

Economic Mix—occupancy of rental housing by families of varying economic levels, including very low-income families—to be promoted by housing assistance payments (Sec. 8, U.S. Housing Act of 1937).

Environmental Impact Statements—statements required to be made by Federal agencies in their recommendations or reports on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, as to the environmental impact of the proposed action; any adverse environmental effects which cannot be avoided should the proposal be implemented; relationship between local short-term use of man's environment and the maintenance and enhancement of long-term productivity; and any irreversible or irretrievable commitments of resources which would be involved in the proposed action should it be implemented (Sec. 102(2)(C), National Environmental Policy Act of 1969). Applicants for block grants can assume responsibility for this statement under the community development program (Sec. 104(h), Housing and Community Development Act of 1974).

Estimated Value—the basis of one of the limits on the amount of a mortgage which can be insured by HUD, such as, under certain programs; the mortgage may not exceed 90 percent of the estimated value of the property when completed.

Graduated Payment Mortgages—HUD insurance of housing mortgages, which involve varying rates of amortization corresponding to anticipated variations in family incomes (Sec. 245, National Housing Act).

Fannie Mae—Federal National Mortgage Association.

Farmers Home—Farmers Home Administration.

Firm Commitment—See "Commitment".

Flexible Interest Rate Authority—authority of the Secretary of HUD to set the maximum interest rate for FHA-insured and VA-guaranteed mortgages at rates he finds necessary to meet the mortgage market (Public Law 90-301, as extended).

Forbearance—The act of postponing or refraining from taking legal action against a mortgagor even though mortgage payments are in arrears (the term is often used in connection with mortgage insurance provisions on the subject).

Freddie Mac—Federal Home Loan Mortgage Corporation.

Gitne Mae—Government National Mortgage Corporation.

Hold Harmless—cities and counties which had been receiving a higher level of funding under Federal assistance programs prior to the new community development block grant program will continue generally to receive the higher level during the first 3 years of the new program (Title I, Housing and Community Development Act of 1974).

Housing Allowance Payments—payments by HUD to assist families in meeting rental or homeownership expenses—experimental program (Sec. 504, Housing Act of 1970).

Housing Assistance Plan—local plan which assesses housing needs of the community, specifies annual goal for the number of units or persons to be assisted, and indicates general locations of proposed housing for lower income persons—which is an essential element of an application for community development block grants (Sec. 104, Housing and Community Development Act of 1974).

Interest Reduction Payments—periodic assistance payments by HUD to mortgagees to permit lower interest rate payments by lower income families (varying with fluctuations in incomes) on HUD insured mortgages financing homes, rental housing, or cooperative housing (Secs. 235, 236, National Housing Act).

Leasing Program—Low-rent housing provided by public housing agencies in housing leased from private owners (Sec. 23, old U.S. Housing Act of 1937).

Loan-To-Value Ratio—The relationship between the amount of the mortgage loan and the appraised value of the property involved, expressed as a percentage of the appraised value. It is one of the traditional limitations on a mortgage eligible for mortgage insurance.

Mortgage-Backed Securities—obligations issued by an organization which has held and set aside mortgages as security for payment of the obligations. FNMA, GNMA, and FHLMC, as well as private organizations, issue such obligations.

National Housing Partnership—A private limited partnership established under statutory provisions for the purpose of carrying out the building, maintenance, or rehabilitation of housing and related facilities for lower or moderate income families. It can enter into partnerships or joint ventures, conduct research, provide technical assistance, and make loans or grants to accomplish its purpose. (Title IX, Housing and Urban Development Act of 1968).

National Institute of Building Sciences—a nonprofit nongovernmental organization to make findings and to advise public and private

sectors of the economy with respect to the use of building science and technology in achieving nationally acceptable standards for use in housing and building regulations (Sec. 809, Housing and Community Development Act of 1974).

Neighborhood Development program—urban renewal carried out with financing on an annual basis.

Operating Subsidies—HUD payments to local public housing agencies to assist the payment of operating expenses of public housing, or to the owners of certain multifamily projects for low income families (Sec. 9, U.S. Housing Act of 1937; Sec. 236(f), National Housing Act).

Participation Loans—loans by the Farmers Home Administration (or others) where another lender makes a part of the loan.

Pass Through—principal and interest receipts on housing mortgages are “passed through” by GNMA, FNMA, FHLMC or other organizations to the purchasers of their securities or obligations which have been sold and secured by the mortgages set aside as security for the obligations.

Private Mortgage Insurance—insurance by private companies of lenders against losses on mortgage loans.

Planned Unit Development—development and construction of a residential community as a unit in accordance with a plan for the entire development.

Real Estate Investment Trust—a trust established by real estate investors primarily for the management and control of investments in mortgages and to sell obligations secured by mortgages and property held by the trust.

Rent Supplements—annual Federal payments to owners of housing built with certain HUD mortgage insurance on behalf of prescribed types of lower income families.

Replacement Cost—the basis of one of the limits placed on the amount of a mortgage which can be insured by HUD under certain programs, such as: the mortgage may not exceed 90 percent of replacement cost of the housing when completed.

Secondary Market Purchasers—organizations, both private and Federal, which purchase and sell housing mortgages.

Seed Money—advances, loans, or grants to cover preliminary expenses of constructing housing projects, such as the cost of planning and obtaining financing.

Special Assistance—purchase by GNMA of certain housing mortgages, including mortgages financing lower income housing, which are not, without loss, readily saleable to FNMA or other secondary market purchasers.

Standby Commitment—See “Commitment”.

Supplemental Loans—HUD-insured loans for improvements or additions to multifamily housing, nursing homes, group practice facilities, or hospitals (Sec. 241, National Housing Act).

Tandem Plan Purchases—the purchase by GNMA of certain housing mortgages at higher prices than would be paid by FNMA, FHLMC or other mortgage purchasers, with subsequent resale by GNMA at the best price obtainable, or as back-up of GNMA’s mortgage-backed securities. The term derives from the original practice

GLOSSARY

of FNMA purchasing from GNMA "in tandem" with the GNMA purchase.

Turnkey Housing—housing initially financed and built by private sponsors and purchased upon completion by housing authorities for use by low-income families under the public housing program.

Urban Homesteading—transfers of unoccupied residences to individuals or families without any substantial consideration where the individuals or families agree to occupy the residences not less than 3 years and to make repairs and improvements required to meet health and safety standards within certain time limits (Sec. 810, Housing and Community Development Act of 1974).

Urban Renewal—elimination and prevention of the development or spread of slums and blight, including slum clearance and redevelopment, or rehabilitation and conservation—aided by HUD advances, loans and grants (Title I, Housing Act of 1949)). Program is being terminated under provisions of Title I, Housing and Community Development Act of 1974.

Urban-Rural Split—community development block grants to be distributed on the basis (generally) of 80 percent of the funds to metropolitan areas and 20 percent to nonmetropolitan areas (Sec. 106, Housing and Community Development Act of 1974).

INDEX

Abandoned structures and housing:	
Demonstration grants for alleviation and prevention—Sec. 505, Housing and Urban Development Act of 1970.....	Page 505
Housing for lower or middle income families under demonstration program—available for—Sec. 505, Housing and Urban Development Act of 1970.....	505
Acceptable risk:	
Property requirement:	
HUD mortgage insurance—National Housing Act—	
Sec. 203(i)—suburban and outlying areas.....	189
Sec. 203(k)—home improvement loans.....	190
Sec. 203(m)—seasonal homes.....	192
Sec. 214—Alaska, Guam, or Hawaii.....	221
Sec. 223(e)—housing or group facilities in older, declining urban areas.....	257
Sec. 521—technically suitable materials.....	317
Sec. 805—servicemen's housing.....	351
Administration: (<i>See also</i> —Coordination; Presidential and National Committees)	
Advisory committees—authority of Secretary of HUD to establish—	
Sec. 601, Housing Act of 1949.....	140
Sec. 104, Housing Act of 1956 (housing for elderly).....	140
Attack—reduction of vulnerability to—Sec. 811, Housing Act of 1954.....	141
Audits and records required—Secs. 814–816, Housing Act of 1954.....	142–143
Byrd Amendment.....	142
Congressional Budget and Impoundment Control Act of 1974.....	29
"Convener powers", E.O. 11297, Coordination of Federal Urban Programs.....	156
Cooperative Housing—Special Assistant Commissioner for—Sec. 102(h), Housing Amendments of 1955.....	145
Cost Benefit Analysis of Field Reorganizations.....	17
Department of Housing and Urban Development—established—Department of Housing and Urban Development Act.....	9
Department of Housing and Urban Development Organization Chart.....	19
Field Reorganizations, Cost Benefit Analysis of, Sec. 7(p), Department of Housing and Urban Development Act.....	17
Educational institutions—authority to contract with, utilize, and act through—Sec. 502, Housing Act of 1948.....	138
Defense Economic Adjustment Program.....	152
Domestic Council:	
Established—Reorganization Plan No. 2 of 1970.....	1505
Economic Adjustment Committee.....	152
Energy Coordinating Committee, E.O. 12083.....	1486
Examination of Financial Institutions, Title VIII, Community Reinvestment Act, Excerpts from Housing and Community Development Act of 1977.....	1083
Fair housing—administered by Secretary and Assistant Secretary of HUD—Sec. 808, Civil Rights Act of 1968.....	589
Farmers Home Administration:	
Acting for Secretary of Agriculture—Sec. 501, Housing Act of 1949.....	701
Powers, duties, and assets—7 U.S.C. 1981.....	1293
Federal agencies' functions not restricted by—Executive Order 11647.....	1511
Federal Home Loan Bank Board—Sec. 502, Housing Act of 1948.....	138
Federal Insurance Administrator—Sec. 1105, Housing and Urban Development Act of 1968.....	1244
Federal Regional Councils—Executive Order 11892.....	1509
Fraud and False Statements, 18 U.S.C. § 1010.....	23

INDEX

Administration—Continued

Grants:

Administration of—Title II, Intergovernmental Cooperation Act of 1968	Page 887
Circular A-95—Office of Management and Budget	911
Handicapped—Federally financed buildings to be accessible to—Public Law 90-480	147
Impoundment control—Title X, Congressional Budget and Impoundment Control Act of 1974	67
Legislative Review, Sec. 7(o), Department of Housing and Urban Development Act	16
Special Assistant Commissioner for Cooperative Housing—Sec. 102(h) Housing Amendments of 1955	145
Inspector General Act of 1978	165
Intergovernmental Cooperation Act of 1968	885
Intergovernmental coordination:	
Circular A-95—Office of Management and Budget	911
Joint funding:	
Certain projects—Executive Order 11466	141
Joint Funding Simplification Act of 1974	75
Library memberships—Sec. 502(d), Housing Act of 1948	140
Local public agencies—use of facilities and services—Sec. 502, Housing Act of 1948	138
Military housing—Secretary of HUD—acquisition of housing at bases ordered closed—Sec. 1013, Demonstration Cities and Metropolitan Development Act of 1966	1360
National Center for Housing Management, E.O. 11668	1502
National Commission on Neighborhoods, Title II, National Neighborhood Policy Act	1099
Nonprofit agencies or organizations—authority to utilize—Sec. 502, Housing Act of 1948	138
Office of Management and Budget:	
Established—Reorganization Plan No. 2 of 1970	1505
Organizations advocating overthrow of U.S.—Sec. 612, Housing Act of 1949	145
Paperwork Reduction, Sec. 905, Housing and Community Development Amendments of 1978	164
President's Advisory Council on Management and Improvement—Executive Order 11509	1496
President's functions delegated to Housing Administrator—Executive Order 11196	143
Preparation and Publication of Costs of Prototype Housing, Sec 904, Housing and Community Development Act of 1977	553
Records and audits required—Sec. 814, Housing Act of 1954	142
Revolving Fund for Liquidating Programs, Independent Offices Appropriation Act, 1955	108
Secretary of Housing and Urban Development:	
Advisory Committees:	
Authority to establish—Sec. 601, Housing Act of 1949	140
Housing for Elderly—Sec. 104, Housing Act of 1956	140
Direction of Department of Housing and Urban Development—Sec. 3, Department of Housing and Urban Development Act	9
General administrative powers—Sec 502, Housing Act of 1948	138
Officers to act as Secretary—Executive Order 11274	146
Specifications required—Secs. 814, 815, Housing Act of 1954	142
State agencies—use of facilities and services—Sec. 502, Housing Act of 1948	138
Statistical Policy Coordination Committee, Excerpt from E.O. 12013	1485
United States Housing Authority—authority to sue and be sued—Sec. 502(b), Housing Act of 1948	138
Urban transportation—transfer of functions from Secretary of HUD to Secretary of Transportation—Reorganization Plan No. 2 of 1968	1040

INDEX

Advisory Committees: <i>See also:</i> Presidential and National Committees	Page
Authority to establish—Sec. 7(1), Department of Housing and Urban Development Act.....	15
Agricultural Act of 1970—Sec. 901(c)—Planning Assistance.....	1309
Agriculture—Environmental and Consumer Protection Appropriation Act, 1974.....	107
Agricultural structures:	
Financial assistance—Sec. 501, Housing Act of 1949.....	701
Insured loans—	
Department of Housing and Urban Development—Sec. 2, National Housing Act.....	174
Farmers Home Administration—Sec. 514, Housing Act of 1949.....	714
Loans—Secs. 502, 503, Housing Act of 1949.....	704, 705
Rehabilitation loans and grants—Sec. 504, Housing Act of 1949.....	706
Airports—relief of homeowners in proximity to—Sec. 1113, Housing and Urban Development Act of 1965.....	523
Air quality control—Clean Air Act.....	985
Alaska: <i>See also:</i> Housing mortgage and loan insurance, HUD; Public housing;	
Territories:	
Acceptable risk equipment—mortgage insurance—excepted from where housing is for servicemen—Sec. 805, National Housing Act—	351
Authorizations—dollar limits—loans and grants for housing—Sec. 1004, Demonstration Cities and Metropolitan Development Act of 1966.....	493
Earthquake—1964 amendments to Alaska Omnibus Act.....	1463
Loans and grants for housing and related facilities—Sec. 1004, Demonstration Cities and Metropolitan Development Act of 1966.....	493
Self-help—housing and related facilities—loans and grants—Sec. 1004, Demonstration Cities and Metropolitan Development Act of 1966.....	493
Urban renewal—Enabling Act—Public Law 615, 81st Congress.....	495
Annual report by Secretary of Housing and Urban Development: <i>See also:</i> Studies, surveys and reports	
Abandoned structures and housing—demonstration projects to alleviate and prevent—Sec. 505, Housing and Urban Development Act of 1970.....	505
Co-insurance program—Sec. 244, National Housing Act.....	304
Community development—Sec. 113, Housing and Community Development Act of 1974.....	1076
Departmental activities:	
Sec. 8, Department of Housing and Urban Development Act.....	17
Secs. 802, 817, Housing Act of 1954.....	6
Flood insurance—Sec. 1320, Housing and Urban Development Act of 1968.....	1262
Mobile homes—construction and safety standards—Sec. 626, National Mobile House Construction and Safety Standards Act of 1974.....	627
Rural development planning—joint with Secretary of Agriculture—Sec. 901(c), Agricultural Act of 1970.....	1309
Technical Services—Sec. 304, Intergovernmental Cooperation Act of 1968.....	889
Ten Year Plan—Secs. 1602 and 1603, Housing and Urban Development Act of 1968.....	4, 5
Appalachian Regional Development Act of 1965.....	1327
Appropriations:	
Agriculture—Environmental and Consumer Protection Act, 1974.....	107
Department of Housing and Urban Development, 1975.....	92
Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1976.....	116
Supplemental Appropriations Act, 1976.....	125
Second Supplemental Appropriation Act, 1978.....	126
Authorization of Appropriation (Fiscal Year Transition) P.L. 94-144.....	125
Department of Housing and Urban Development * * * Appropriation Act, 1978.....	81
Department of Housing and Urban Development * * * Appropriations Act, 1979.....	130

INDEX

Appropriations—Continued	Page
Supplemental Appropriations Act, 1977, Public Law 95-26.....	89
Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1977.....	110
Department of Housing and Urban Development * * * Appropriation Act, 1974.....	101
Department of Housing and Urban Development * * * Appropriation Act, 1973.....	107
Supplemental Appropriations Act 1975.....	98
Second Supplemental Appropriation Act, 1975.....	100
Independent Offices Appropriation Act, 1955.....	108
Architecture:	
Architectural and Transportation Barriers Compliance Board—Sec. 502, Rehabilitation Act of 1973.....	1487
Elderly or handicapped—removal of barriers—Public Law 90-480.....	147
Housing:	
Federally-aided—improved standards directed—Sec. 4, Housing and Urban Development Act of 1968.....	26
Military—modular measure required—Sec. 406, Housing Amendments of 1955.....	744
Armed services housing: <i>See: Military housing</i>	
Assistance payments: <i>See: Housing for lower income families</i>	
Atomic Energy Commission housing: <i>See: Housing mortgage and loan insurance</i>	
Atomic Energy Community Act of 1955.....	1203
Boulder Canyon housing—mortgage insurance for sale of—Sec. 223, National Housing Act.....	254
Budget rescissions: College housing—Chapter I, Public Law 93-529.....	477
Building and loan associations: <i>See: Federal home loan banks; Federal savings and loan associations</i>	
Busing—model cities—Sec. 103(d), Demonstration Cities and Metropolitan Development Act of 1966.....	1169
Byrd Amendment.....	142
Cabinet Committee on the Environment: <i>See also: Environment Executive Order 11472</i>	1397
Children:	
Child care—Sec. 712(a) (4), Economic Opportunity Act of 1964.....	1312
Day Care Center, Sec. 7(n), Department of Housing and Urban Development Act.....	15
Discrimination against prohibited in rental housing financed with mortgage insurance—Secs. 207(b), 903(a), National Housing Act.....	203, 358
Impact of children living in public housing on schools—study of—Sec. 111, Elementary and Secondary Education Amendments of 1967.....	529
President's Council on Youth Opportunity—Executive Order 11330.....	1493
Urban renewal provision for—Sec. 105, Housing Act of 1949.....	1114
Youth Employment—excerpt from Youth Employment and Demonstration Projects Act of 1977.....	24
Circulars—OMB:	
A-19 Revised—Legislative Coordination and Clearance.....	816
A-95—Federal and Federally Assisted Programs and Projects—Evaluation, Review, and Coordination.....	911
A-97—Rules and regulations permitting Federal agencies to provide specialized or technical services to State and local units of government under Title III of the Intergovernmental Cooperation Act of 1968.....	942
Citizens Advisory Committee on Environmental Quality—Executive Order 11472.....	1397
Citizen participation:	
Community development—required—Sec. 104(a), Housing and Community Development Act of 1974.....	1054
Comprehensive planning—required—Sec. 701(c), Housing Act of 1954.....	979
Civil rights: <i>See also: Fair housing</i>	
Circular A-95—review process—Office of Management and Budget.....	911
Civil Rights Act of 1964:	
Title II—Injunctive relief.....	1365

INDEX

	Page
Civil rights—Continued	
Civil Rights Act of 1964—Continued	
Title III—Desegregation of public facilities.....	1368
Title VI—Nondiscrimination in Federally assisted programs.....	1369
Title XI—Miscellaneous.....	1370
Civil Rights Act of 1968.....	583
Community development—Sec. 109, Housing and Community Development Act of 1974.....	1073
Coordination of Federal Equal Employment Opportunity Programs, Executive Order 12067.....	1373
Disaster relief—nondiscrimination—Sec. 311, Disaster Relief Act of 1974.....	1432
Economic development—no discrimination in programs—Sec. 748, Economic Opportunity Act of 1964.....	1320
Equal employment opportunity—Executive Order 11246.....	1376
Equal employment opportunity in the Federal Government—Executive Order 11478.....	1371
Fair housing—prohibitions against discrimination in the financing, sale, or rental of housing—title VIII, Civil Rights Act of 1968.....	586
Federally assisted programs—nondiscrimination in:	
Title VI, Civil Rights Act of 1964.....	1369
Executive Order 11764.....	1384
Housing:	
Equal opportunity—Executive Order 11063.....	596
Financing, sale or rental—nondiscrimination required—Title VIII, Civil Rights Act of 1968.....	586
President's Committee on Equal Opportunity in Housing—Executive Order 11063.....	596
Injunctive relief—Title II, Civil Rights Act of 1964.....	1365
Minority business enterprise—Executive Order 11625.....	1385
Public facilities—desegregation of—Title III, Civil Rights Act of 1965.....	1368
Clean Air Act.....	985
Coastal Zone Management Act of 1972.....	947
Coastal Zone Management Act Amendments of 1976.....	974
Code enforcement:	
Community development—block grants—Sec. 105, Housing and Community Development Act of 1974.....	1060
Concentrated enforcement—Sec. 117, Housing Act of 1949.....	1142
Housing improvement insured loans in code enforcement areas—Sec. 220(h), National Housing Act.....	229
Rehabilitation loans—Sec. 312, Housing Act of 1964.....	479
Urban renewal:	
Code enforcement required—Secs. 101, 110(c) (5), Housing Act of 1949.....	1103, 1124
Grants—Sec. 117, Housing Act of 1949.....	1142
Co-insurance of housing mortgages—See: Housing mortgage and loan insurance	
College housing: See also: Urban renewal	
Loans and grants:	
Audit and budget requirements—Sec. 402, Housing Act of 1950....	472
Authorization:	
Dollar limits—Sec. 401(d), 401(f), Housing Act of 1950....	470, 472
Reduction—Chapter I, Public Law 93-529.....	477
Coordination with Office of Education—Sec. 402(c), Housing Act of 1950.....	473
Educational institutions eligible—Sec. 404(b), Housing Act of 1950.....	475
Higher Education Facilities Loan and Insurance Fund—Departments of Labor and Health, Education and Welfare Appropriations Act, 1977.....	699
Payment of Sales Insufficiencies and Interest Losses—Departments of Labor and Health, Education and Welfare Appropriations Act, 1977.....	699
Program—Title IV, Housing Act of 1950.....	469
Rehabilitation—Sec. 404(g), Housing Act of 1950.....	476
Community development: See also: Community facilities, Economic development; Land development; Urban development; Urban renewal	
Advances—Sec. 106(f), Housing and Community Development Act of 1974.....	1066

INDEX

Community development—Continued

Allocation and distribution of funds—Sec. 106, Housing and Community Development Act of 1974.....	Page 1062
Block grants—Title I, Housing and Community Development Act of 1974.....	1047
Citizen participation required—Sec. 104(a), Housing and Community Development Act of 1974.....	1054
Coastal zones—Coastal Zone Management Act of 1972.....	947
Community Development Corporation—Sec. 702, Economic Opportunity Act of 1964.....	1311
Coordination of—Title IV, Intergovernmental Cooperation Act of 1968.....	889
Counseling assistance to communities—Sec. 106, Housing and Urban Development Act of 1968.....	537
Demonstration—Sec. 107, Housing and Community Development Act of 1974.....	539
Department of Housing and Urban Development—purpose—Department of Housing and Urban Development Act.....	9
Disaster relief—Sec. 107, Housing and Community Development Act of 1974.....	1070
Environmental standards—Circular A-95—Office of Management and Budget.....	911
Grants—Urban Development Action, Sec. 119 of the Housing and Community Development Act of 1974.....	1078
Grants—Title I, Demonstration Cities and Metropolitan Development Act of 1966; Title I, Housing and Community Development Act of 1974.....	1047, 1167
Guarantee of loans for acquisition of property—Sec. 108, Housing and Community Development Act of 1974.....	1072
"Hold harmless"—Sec. 106(g), Housing and Community Development Act of 1974.....	1068
Inner city areas—Sec. 740, National Urban Policy and New Community Development Act of 1970.....	878
Metropolitan areas:	
Allocation of community development funds to—Sec. 106, Housing and Community Development Act of 1974.....	1062
Block grants—Title I, Housing and Community Development Act of 1974.....	1047
Model cities:	
Title I Demonstration Cities and Metropolitan Development Act of 1966.....	1367
Termination of grants—Sec. 116, Housing and Community Development Act of 1974.....	1077
Neighborhood facilities:	
Grants—Sec. 703, Housing Act of 1954.....	1153
Grants terminated—Sec. 116, Housing and Community Development Act of 1974.....	1077
Open-space land:	
Grants—Title VII, Housing Act of 1961.....	1175
Termination of program—Sec. 116, Housing and Community Development Act of 1974.....	1077
Policy:	
Sec. 2, Housing Act of 1949.....	1
Sec. 101, Housing and Community Development Act of 1974.....	1047
Rehabilitation loans:	
Authorized—Sec. 312, Housing Act of 1964.....	479
Termination of program—Sec. 312(h), Housing Act of 1964.....	482
Training and fellowship programs:	
Fellowships—Sec. 802, Housing Act of 1964.....	549
Grants to States and educational institutions—Secs. 803 and 804, Housing Act of 1964.....	550, 551
Urban beautification:	
Grants—Title VII, Housing Act of 1961.....	1175
Termination of grants—Sec. 116, Housing and Community Development Act of 1974.....	1077

INDEX

Community development—Continued

Urban counties—allocation of community development funds to—Sec. 106, Housing and Community Development Act of 1974-----	Page 1062
Urban information and technical assistance—grants to States to provide to small communities—Sec. 902, Demonstration Cities and Metropolitan Development Act of 1966-----	554
Watershed protection—rural—loans and loan insurance—7 U.S.C. 1932-----	1287
Community facilities: <i>See also</i> : Community development; Economic development; Health care facilities; Land development; Relocation Advances for planning public works:	
Authority—Sec. 702, Housing Act of 1954-----	1151
Repayment not required—Sec. 1112, Housing and Urban Development Act of 1965-----	1154
Block grants—community development—Title I, Housing and Community Development Act of 1974-----	1047
Bonds of Contractors for Public Buildings or Works, Miller Act-----	1521
Condemnees—compensation—Title IV, Housing and Urban Development Act of 1965-----	1358
Employment Opportunities for lower income persons in connection with assisted projects, Sec. 3, Housing and Urban Development Act of 1968-----	25
Flood insurance requirement—Flood Disaster Protection Act of 1973--	1245
Grants:	
Block grants—Title I, Housing and Community Development Act of 1974-----	1047
Neighborhood Self-Help, Neighborhood Self-Help Development Act of 1978, Title VII, Housing and Community Development Amendments of 1978-----	1091
Sec. 202(e), Housing Amendments of 1955-----	1158
Sec. 702, Housing and Urban Development Act of 1965-----	1161
Termination of Sec. 702 grants—Sec. 116, Housing and Community Development Act of 1974-----	1077
Urban Development Action Grants, Sec. 119, Housing and Community Development Act of 1974-----	1078
Increase in Limit on Small Issues of Industrial Development Bonds, Sec. 331, Revenue Act of 1978-----	1082
Interest subsidy—advances for planning public works—Sec. 702, Housing Act of 1954-----	1151
Land development—insured mortgages—Title X, National Housing Act-----	366
Land for—where related to housing for lower income families—surplus Federal land—Sec. 414, Housing and Urban Development Act of 1969-----	27
Loans:	
Authority—Title II, Housing Amendments of 1955-----	1155
Terminated—Sec. 116, Housing and Community Development Act of 1974-----	1077
Interest payments deferred—Sec. 202(b), Housing Amendments of 1955-----	1156
Population limits—Sec. 202(b), Housing Amendments of 1955---	1156
Priority to smaller communities—Sec. 202(c), Housing Amendments of 1955-----	1157
National Commission on Neighborhoods, National Neighborhood Policy Act-----	1099
Neighborhood Reinvestment Corporation, Neighborhood Reinvestment Corporation Act, Title VI of Housing and Community Development Amendments of 1978-----	1086
Pollution abatement:	
Federal agencies—Executive Order 11514-----	1394
Rural areas—grants, loans, loan insurance, loan guarantees—7 U.S.C. 1932, 1942-----	1287, 1290
Rural—loan limitations—7 U.S.C. 1992-----	1302
Surveys of volume of public works planning and requirements—Sec. 702, Housing Act of 1954-----	1151
Water development, water and waste facilities—rural—grants, loans, and loan insurance—7 U.S.C. 1923, 1926, 1942-----	1277, 1278, 1290

INDEX

Community facilities—Continued

Water and sewer facilities:	Page
Grants—Sec. 702, Housing and Urban Development Act of 1965...	1161
Termination of grant program—Sec. 116, Housing and Community Development Act of 1974.....	1077
Required for:	
HUD housing—Sec. 522, National Housing Act.....	318
Veterans' housing—38 U.S.C. 1804(e).....	756
Community renewal programs— <i>See</i> Urban renewal	
Community Reinvestment, Title VIII of the Community Reinvestment Act of 1977.....	1083
Condominiums— <i>See</i> : Housing mortgage and loan insurance; Rural housing; Veterans housing	
Congressional Budget and Impoundment Control Act of 1974.....	29
Consolidated Farmers Home Administration Act.....	1277
Contractors—technical assistance by HUD to small contractors whose bonds are guaranteed by Small Business Administration—Sec. 911(b), Housing and Urban Development Act of 1970.....	556
Conventional mortgages— <i>See</i> Secondary market for housing loans	
Cooperatives: <i>See also</i> : Housing mortgage and loan insurance, Housing for lower income families; Elderly or handicapped; Rural housing Appalachian Region—preliminary expenses of housing—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
HUD acquired projects—nonprofit cooperatives may acquire—Sec. 246, National Housing Act.....	308
Latin America—housing guarantees—Sec. 224, Foreign Assistance Act of 1961.....	560
Rent supplements—Title I, Housing and Urban Development Act of 1965.....	485
Replacement housing—preliminary expenses—interest free loans—Sec. 215, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1343
Special Assistant Commissioner for Cooperative Housing—Sec. 102, Housing Amendments of 1955.....	145
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978.....	562
Coordination: <i>See also</i> : Administration; Presidential and National Committees	
Circular A-95—Federal and Federally-assisted programs.....	911
Coastal zones—development and management—coordination and consultation among Federal agencies required—Sec. 307, Coastal Zone Management Act of 1972.....	957
Coastal zone management, sec. 15 of coastal zone Act Amendments of 1976.....	974
College housing or educational facilities—coordination with Office of Education, HEW—Sec. 402(c), Housing Act of 1950.....	473
Comprehensive planning grants—consultation with other Federal agencies—Sec. 701(k), Housing Act of 1954.....	981
Community development—consultation required—Sec. 114, Housing and Community Development Act of 1974.....	1076
Coordination of Federal Equal Employment Opportunity Programs, Executive Order 12067.....	1373
Disaster relief—Secs. 302, 303, Disaster Relief Act of 1974.....	1429, 1430
Domestic Council:	
Established—Reorganization Plan No. 2 of 1970.....	1505
Economic development:	
Department of HUD, Department of Agriculture and other Federal agencies—Secs. 743-745, Economic Opportunity Act of 1964.....	1318, 1319
Regional commissions and Federal government—Executive Order 11386.....	1329
Elderly or handicapped:	
Housing for:	
Congregate Housing Services, Congregate Housing Services Act of 1978.....	575

INDEX

Coordination—Continued

Design and related facilities for—consultation with Secretary of HEW—Sec. 209, Housing and Community Development Act of 1974.....	Page 411
Loans—coordination with State, local and HEW plans—Sec. 202(f), Housing Act of 1959.....	466
Nondiscrimination under Federal Grants, Sec. 504, Rehabilitation Act of 1973.....	1387
Emergency planning—Executive Order 11490.....	149
Energy Coordinating Committee, E.O. 12083.....	1486
Environment—Implementation of plans for National primary and secondary ambient air quality standards, Sec. 1857c-5, Clear Air Act.....	985
Federal and Federally-assisted programs—Circular A-95.....	911
Federal borrowing—Federal Financing Bank Act of 1973.....	831
Federal Regional Councils—Executive Order 11892.....	1509
Federal space—planning, acquisition, and management—Executive Order 11512.....	1515
Federal urban programs—Executive Order 11297.....	156
Fire prevention and control—National Commission on—Secretary of HUD a member—Sec. 202, Fire Research and Safety Act of 1968.....	531
Funding—Federal aids to States, local governments and private organizations—Joint Funding Simplification Act of 1974.....	75
Flood insurance—consultation with other Federal agencies—Sec. 1317, 1360, Housing and Urban Development Act of 1968.....	1261, 1268
Health care facilities—mortgage insurance—Secretary of HUD to utilize other Federal agencies—Sec. 1105, National Housing Act.....	375
Housing for rural trainees—consultation required by Secretary of Agriculture—Sec. 522, Housing Act of 1949.....	727
Interest rates—HUD and VA housing—consultation between HUD and VA required—Sec. 3, Public Law 90-301; 38 U.S.C. 1803(c).....	379, 753
Interagency Coordinating Council, Executive Order 12075.....	1045
Intergovernmental:	
Intergovernmental Cooperation Act of 1968.....	885
Office of Intergovernmental Relations—Executive Order 11455.....	895
Intermediate care facilities—consultation with Sec. of HEW—Sec. 232, National Housing Act.....	267
International housing and urban development activities with Secretary of State—Sec. 604, Housing Act of 1957.....	557
Interstate land sales—with State authorities—Sec. 1409, Interstate Land Sales Full Disclosure Act.....	609
Joint funding:	
Comprehensive planning grants—Sec 701, Housing Act of 1954.....	977
Executive Order 11466.....	141
Joint Funding Simplification Act of 1974.....	75
Joint investigations—water quality—Sec. 102, Federal Water Pollution Control Act.....	992
Lead-based paint poisoning prevention—Secs. 502, 505, Lead-based Paint Poisoning Prevention Act.....	1199, 1200
Metropolitan areas—Federal aids in—Title II, Demonstration Cities and Metropolitan Development Act of 1966.....	1225
Military housing—Sec. of Defense with Sec. of HUD—Sec. 501, Military Construction and Reserve Forces Facilities Authorization Acts, 1975.....	749
Military housing—Secretary of Defense, with Secretary of HUD, Military Construction Authorization Act, 1976.....	747
Military housing—Secretary of Defense with Secretary of HUD, Sec. 501, Guard and Reserve Forces Facilities Authorization Act, 1977.....	748
Military housing—Secretary of Defense with Secretary of HUD, Sec. 501, Military Construction Appropriation Act, 1978.....	746
Mobile homes—construction and safety standards—Sec. 609, National Mobile Home Construction and Safety Standards Act of 1974.....	632
Model cities—Federal coordination required—Secs. 103(b), 109, Demonstration Cities and Metropolitan Development Act of 1966.....	1169, 1172
National Homeownership Foundation—Secs. 107(b), 107(e), Housing and Urban Development Act of 1968.....	540, 543
Office of Management and Budget:	
Established—Reorganization Plan No. 2 of 1970.....	1505

INDEX

Coordination—Continued

Open-space land program with outdoor recreation program—Executive Order 11237-----	Page 1178
Planned areawide development—consultation with Federal agencies—Title II, Demonstration Cities and Metropolitan Development Act of 1966-----	1025
Policy—Sec. 2, Department of Housing and Urban Development Act—Sec. 2, Housing Act of 1949-----	1
Rehabilitation facilities—mortgage insurance for—Sec. of HEW with Sec. of HUD—Sec. 303, Rehabilitation Act of 1973-----	382
Research activities—with other Federal agencies—Sec. 502(f), Housing and Urban Development Act of 1970-----	504
Rural development—Sec. of Agriculture to provide—7 U.S.C. 2201, 7 U.S.C. 2204-----	1307, 1308
Solar energy research and demonstrations—with National Science Foundation—Sec. 506, Housing and Urban Development Act of 1970-----	507
Solar heating and cooling systems—development and demonstration—between Federal agencies—Sec. 5, 18 Solar Heating and Cooling Demonstration Act of 1974-----	511, 520
Urban program coordination—Director of—Sec. 4(b), Department of Housing and Urban Development Act-----	10
Urban transportation—	
Airport planning—23 U.S.C. 1713-----	1042
Demonstrations and research—high-speed ground transportation—23 U.S.C. 1639-----	1042
Parklands—preservation of—Sec. 4, Department of Transportation Act-----	1033
Veterans housing—VA loan insurance or guarantee not required where Sec. of HUD has refused FHA insurance to a lender—38 U.S.C. 1804(d)-----	755
Coulee Dam housing—mortgage insurance for sale of—Sec. 223, National Housing Act-----	254
Council on Environmental Quality: <i>See also:</i> Environment Created—Sec. 201, National Environmental Policy Act of 1969-----	1392
Responsibilities—Executive Order 11514-----	1394
Staff—Sec. 203, Environmental Quality Improvement Act of 1970-----	1402
Counseling: <i>See also:</i> Demonstrations; Research; Studies, surveys and reports; Training; Technical assistance	
Communities—community development—Sec. 106, Housing and Urban Development Act of 1968-----	537
Credit counseling:	
Rural—7 U.S.C. 1987-----	1299
Social service economic development programs—Sec. 712, Economic Opportunity Act of 1964-----	1312
Low-income families—housing:	
Sec. 235(e) and 237, National Housing Act-----	279, 292
Sec. 3(4) U.S. Housing Act of 1937-----	393
Sec. 106, Housing and Urban Development Act of 1968-----	537
Sponsors of low and moderate-income housing—Sec. 106, Housing and Urban Development Act of 1968-----	537
Credit Control Act—Title II, Authority for credit control-----	793
Crime insurance:	
Audits—Sec. 1244, National Housing Act-----	1242
Burglary and theft—insurance against—Part C, Title XII, National Housing Act-----	1239
Fair plans—Sec. 1203, National Housing Act-----	1231
Federal Insurance Administrator—Sec. 1105, Housing and Urban Development Act of 1968-----	1244
National Insurance Development Fund—Sec. 1243, National Housing Act-----	1241
National Insurance Development program:	
Authority—Title XII, National Housing Act-----	1229
Continuation—Sec. 1, National Insurance Development Act of 1975-----	1227
Reinsurance of losses from riots or civil disorders—Part B, Title XII, National Housing Act-----	1235

INDEX

Crime insurance—Continued

Reports:

	Page
Studies of Reinsurance and other programs by Sec. of HUD and report—Sec. 1245, 1246, National Housing Act.....	1243
Termination of reinsurance and direct insurance programs—Sec. 1201, National Housing Act.....	1229
Debentures: <i>See</i> Housing mortgage and loan insurance	
Defects in housing—correction of—Sec. 518, National Housing Act.....	313
Defense planning: <i>See</i> Disaster relief; Emergency planning	
Defense Economic Adjustment Programs, Executive Order 12049.....	152
Demolition: <i>See</i> Urban renewal	
Demonstration cities: <i>See</i> Model cities	
Demonstration Cities and Metropolitan Development Act of 1966*	
Title I—Comprehensive city demonstration program.....	1167
Title II—Planned Area-wide development.....	1025
Sec. 603—Grants—historic preservation.....	1183
Title IX—Urban information and technical assistance services.....	553
Sec. 1004—Assistance for housing in Alaska.....	493
Sec. 1006—GNMA special assistance.....	684
Sec. 1010—Applying advances in technology to housing and urban development.....	526
Sec. 1011—Urban environmental studies.....	528
Sec. 1013—Acquisition of certain properties situated at or near military bases ordered closed.....	1360
Demonstrations: <i>See also</i> : Model cities; Research; Technology; Studies, surveys and reports	
Abandoned structures and housing—grants for demonstration projects for alleviation and prevention—Sec. 505, Housing and Urban Development Act of 1970.....	505
Coinurance of housing loans—Sec. 244, National Housing Act.....	304
Community development—Sec. 107, Housing and Community Development Act of 1974.....	1070
Department of Housing and Urban Development programs—Title V, Housing and Urban Development Act of 1970.....	503
Economic development projects—Sec. 505, Public Works and Economic Development Act of 1965.....	1324
Energy Conservation and Renewable-Resource Demonstration, Sec. 509, Housing and Urban Development Act of 1970.....	1018
Energy Conserving Improvements for Assisted Housing, Sec. 251, National Energy Conservation Policy Act.....	534
Housing:	
Allowance payments—Sec. 504, Housing and Urban Development Act of 1970.....	505
Coinurance of housing loans—Sec. 244, National Housing Act....	304
New approaches or techniques for housing for lower income families—	
Sec. 107(d)(1), Sec. 108, Housing and Urban Development Act of 1968, and Sec. 207, Housing Act of 1961.....	451, 542, 544
Self-help studies—Sec. 1714, Housing and Urban Development Act of 1968; Sec. 207, Housing Act of 1961.....	451, 509
Special needs—housing to meet, such as elderly, displaced—Sec. 507, Housing and Urban Development Act of 1970.....	507
Lead-based paint poisoning prevention—Sec. 301, Lead-based Paint Poisoning Prevention Act.....	1197
New communities—federally owned lands—Sec. 723, National Urban Policy and New Community Development Act of 1970.....	875
Real estate settlement—feasibility of including settlement cost range statements in special information booklets—Sec. 15, Real Estate Settlement Procedures Act of 1974.....	624
Recordation system of land title information—Sec. 13, Real Estate Settlement Procedures Act of 1974.....	623
Rehabilitation Guidelines, Sec. 511, Housing and Urban Development Act of 1970.....	509
Slums and blight—prevention and elimination—grants—Sec. 314, Housing Act of 1954.....	1146

*Sections not listed amended existing law which is indexed according to subject matter.

INDEX

Demonstrations—Continued

Solar energy :

Heating and cooling systems—Solar Heating and Cooling Demonstration Act of 1974..... Page 509

Heating or cooling housing—Sec. 506, Housing and Urban Development Act of 1970..... 507

Underground Construction of Residential Housing, Sec. 305(c), Housing and Community Development Amendments of 1978... 534

Urban transportation :

Elderly and handicapped—meeting needs of—23 U.S.C. 1612(c) .. 1039

High-speed ground transportation—23 U.S.C. 1632..... 1042

Department of Agriculture: *See also:* Administration; Coordination;

Rural housing :

Participation sales—Department of Agriculture and Related Agencies Appropriation Act, 1968..... 696

Department of Housing and Urban Development Act :

Sec. 2—Declaration of purpose..... 9

Secs. 2-11—Establishment of Department of Housing and Urban Development 9, 18

Sec. 8—Annual report to Congress..... 17

Department of Housing and Urban Development ; Space, Science, Veterans, and certain other Independent Agencies Appropriation Act, 1973..... 107

Department of Housing and Urban Development ; Space, Science, Veterans, and certain other Independent Agencies Appropriation Act, 1974..... 101

Department of Housing and Urban Development ; Space, Science, Veterans, and certain other Independent Agencies Appropriation Act, 1975..... 92

Department of Housing and Urban Development Independent Agencies Appropriation Act, 1976..... 116

Department of Housing and Urban Development Independent Agencies Appropriation Act, 1977..... 110

Department of Housing and Urban Development Independent Agencies Appropriation Act, 1978..... 81

Department of Housing and Urban Development Independent Agencies Appropriation Act, 1979..... 130

Departments of Labor and Health, Education, and Welfare Appropriation Act, 1977..... 699

Departments of Labor and Health, Education, and Welfare Appropriation Act, 1968—Participation sales..... 697

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1968—Participation sales..... 698

Department of Transportation Act—Sec. 4—Cooperation with HUD..... 1033

Disaster relief :

Administration—Executive Orders 11575, 11526, 11296, 11795, 11794, 11749, 11725, 11678, 11662..... 1467-1479

Alaska earthquake—1964 amendments to Alaska Omnibus Act..... 1463

Community development—Sec. 107, Housing and Community Development Act of 1974..... 1070

Coordination—

Secs. 302, 303, Disaster Relief Act of 1974..... 1429, 1430

Secs. 201, 203, Disaster Relief Act of 1970..... 1449-1450

Executive Order 11575..... 1467

Executive Order 11526—National Council on Federal Disaster Assistance 1468

Debris removal :

Grants and assistance—Sec. 403, Disaster Relief Act of 1974... 1437

Sec. 224, Disaster Relief Act of 1970..... 1455

Declaration of major disaster—Sec. 301, Disaster Relief Act of 1974 1428

Displacees eligible for—

Sec. 221 housing (mortgage insurance)—Sec. 221, National Housing Act..... 234

Rent supplements—Sec. 101(e), Housing and Urban Development Act of 1965..... 487

Earthquake Hazards Reduction Program, Excerpts from the Earthquake Hazards Reduction Act of 1977..... 1480

Economic recovery :

Title VIII, Public Works and Economic Development Act of 1965 1443

Loans to businesses to aid employment—Sec. 237, Disaster Relief Act of 1970..... 1458

INDEX

Disaster relief—Continued

Emergency assistance :	Page
Title III, Disaster Relief Act of 1974.....	1428
Sec. 203, Disaster Relief Act of 1970.....	1450
Federal grant-in-aid programs—waiver of conditions impossible be- cause of disaster—Sec. 205, Disaster Relief Act of 1970.....	1452
Federal loan adjustments—Sec. 236, Disaster Relief Act of 1970.....	1458
Flood hazards—location of Federal property—Executive Order 11296.....	1470
Funds—Transfers from appropriations or funds by Sec. of HUD for disaster relief—Sec. 406, Department of Housing and Urban Devel- opment . . . Appropriation Act, 1973.....	107
Grants—to individuals and families—Sec. 408, Disaster Relief Act of 1974.....	1439
Housing :	
Outlying areas—mortgage insurance—Sec. 8, National Housing Act	181
Public housing—priorities to disaster areas—Sec. 313, Disaster Relief Act of 1974.....	1433
Rural housing—Sec. 232, Disaster Relief Act of 1970.....	1456
Temporary—provision of—	
Sec. 404, Disaster Relief Act of 1974.....	1437
Sec. 226, Disaster Relief Act of 1970.....	1455
Veterans—Sec. 233, Disaster Relief Act of 1970.....	1457
Insurance requirements—Sec. 314, Disaster Relief Act of 1974.....	1434
Interest payments by Small Business Administration on loans— Sec. 7(b), Small Business Act.....	1353
Loans :	
Homes or business—Sec. 7, Small Business Act.....	1351
Local governments—Sec. 414, Disaster Relief Act of 1974.....	1441
Rural—7 U.S.C. 1961; Sec. 232, Disaster Relief Act of 1970.....	1292, 1456
Suspension or cancellation—Sec. 7(b), Small Business Act.....	1353
Small business—Sec. 231, Disaster Relief Act of 1970.....	1456
Local governments :	
Loans—Sec. 414, Disaster Relief Act of 1974.....	1441
Grants—Sec. 241, Disaster Relief Act of 1970.....	1460
Medical facilities :	
Sec. 402, Disaster Relief Act of 1974.....	1436
Sec. 255, Disaster Relief Act of 1970.....	1462
National Council on Federal Disaster Assistance—Executive Order 11526	1468
Nondiscrimination :	
Sec. 311, Disaster Relief Act of 1974.....	1432
Sec. 209, Disaster Relief Act of 1970.....	1454
Open-space land—loans and supplementary grants—Sec. 803, Public Works and Economic Development Act of 1965.....	1445
Preparedness programs—grants :	
Title II, Disaster Relief Act of 1974.....	1427
Sec. 206, Disaster Relief Act of 1970.....	1452
Priorities to disaster areas in federally aided public housing and pub- lic facility programs—Sec. 313, Disaster Relief Act of 1974.....	1433
Public facilities :	
Contributions for repair or replacement—Sec. 402, Disaster Relief Act of 1974; Sec. 252, Disaster Relief Act of 1970.....	1436, 1461
Federal aid—priorities to disaster areas—Sec. 313, Disaster Relief Act of 1974; Sec. 253, Disaster Relief Act of 1970.....	1433, 1462
In lieu contributions—Sec. 419, Disaster Relief Act of 1974.....	1443
Loans and supplementary grants—Sec. 803, Public Works and Eco- nomic Development Act of 1965.....	1445
Rehabilitation :	
Loan guarantees—Sec. 804, Public Works and Economic Develop- ment Act of 1965.....	1446
Small business loans—Sec. 231, Disaster Relief Act of 1970.....	1456
Rural—7 U.S.C. 1961; Sec. 232, Disaster Relief Act of 1970.....	1292, 1456
Southeast Hurricane Disaster Relief Act of 1965.....	1466
Technical assistance :	
Secs. 201, 202, 305, Disaster Relief Act of 1974.....	1427, 1428, 1430
Sec. 805, Public Works and Economic Development Act of 1965.....	1446

INDEX

Disaster relief—Continued	Page
Unemployment assistance—Sec. 407, Disaster Relief Act of 1974.....	1439
Urban renewal—Sec. 111, Housing Act of 1949.....	1133
Disaster Relief Act of 1970.....	1448
Disaster Relief Act of 1974.....	1448
Discrimination prohibited: <i>See also</i> : Civil rights	
Children—Sec. 207 (b), 903 (a), National Housing Act.....	203, 358
Single persons—Sec. 213 (g), National Housing Act.....	216
Sex—Sec. 527, National Housing Act.....	319
Displaced persons: <i>See also</i> : Relocation	
Below market interest rate insured mortgages for housing—Sec. 221 (f), National Housing Act.....	241
Interest reduction payments—insured mortgages for housing—Sec. 235, National Housing Act.....	276
Mortgage insurance—Secs. 221 and 235, National Housing Act.....	234, 276
Public housing:	
Additional annual contributions for—Sec. 10 (a) old U.S. Housing Act of 1937.....	421
Eligible for—	
Sec. 3, U.S. Housing Act of 1937.....	391
Sec. 2, old U.S. Housing Act of 1937.....	413
Congregate housing—	
Sec. 7, U.S. Housing Act of 1937.....	402
Sec. 15 (12), old U.S. Housing Act of 1937.....	438
Rent supplements—Title I, Housing and Urban Development Act of 1965.....	485
Self-help housing—mortgage insurance and interest reduction payments—Sec. 235 (i), National Housing Act.....	281
Disposal of Federal property: <i>See</i> : Surplus Federal real property	
District of Columbia:	
Federal savings and loan associations—12 U.S.C. 1466a.....	829
Relocation—Sec. 101, Title II, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1335, 1336
Established—Reorganization Plan No. 2 of 1970.....	1505
Economic development: <i>See also</i> : Community facilities	
Advisory Committee, Sec. 204, Public Works and Economic Development Act Amendments of 1976.....	1497
Appalachian Region:	
Appalachian Regional Development Act of 1965.....	1327
Business:	
Development programs—Sec. 712, Economic Opportunity Act of 1964.....	1312
Loans or loan guarantees—low interest rate—Sec. 731, Economic Opportunity Act of 1964.....	1316
Small Business Administration programs—Sec. 742, Economic Opportunity Act of 1964.....	1318
Community development:	
Coordination with—Sec. 713, Economic Opportunity Act of 1964..	1313
Community development corporations:	
Creation—Title VII, Economic Opportunity Act of 1964.....	1311
Loans and loan guarantees (including housing)—Sec. 731, Economic Opportunity Act of 1964.....	1316
Coordination:	
Federal activities—Sec. 745, Economic Opportunity Act of 1964....	1319
Regional commissions—Sec. 511, Public Works and Economic Development Act of 1965.....	1325
Regional commissions and Federal Government—Executive Order 11386.....	1329
Credit counseling—Sec. 712, Economic Opportunity Act of 1964.....	1312
Demonstrations—	
Sec. 505, Public Works and Economic Development Act of 1965....	1324
Department of Housing and Urban Development—assistance by—Sec. 743, Economic Opportunity Act of 1964.....	1318
Disaster areas—Title VIII, Public Works and Economic Development Act of 1965.....	1443
Economic development regions—Sec. 501, Public Works and Economic Development Act of 1965.....	1321

INDEX

Economic development—Continued

Farmers Home Administration—assistance by—sec. 744, Economic Opportunity Act of 1964.....	Page 1318
Federal Advisory Council on Regional Economic Development—Executive Order 11386.....	1329
Housing:	
Housing activities—grants—Sec. 712, Economic Opportunity Act of 1964.....	1312
Housing and community development programs—coordination of economic development programs with—Sec. 713, Economic Opportunity Act of 1964.....	1313
Loan and loan guarantees—low interest rates—Sec. 731, Economic Opportunity Act of 1964.....	1316
Loans to low income rural families—Sec. 722, Economic Opportunity Act of 1964.....	1315
Preliminary expenses—grants and loans—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
Loans—low-income rural families—improvement of living or housing—Sec. 722, Economic Opportunity Act of 1964.....	1315
Model Community Economic Development Finance Corporation—Sec. 732, Economic Opportunity Act of 1964.....	1317
Nondiscrimination—Sec. 748, Economic Opportunity Act of 1964.....	1320
Participation loans—housing, business and community development—Sec. 731, Economic Development Act of 1964.....	1316
Planning of programs:	
Grants—Sec. 747, Economic Opportunity Act of 1964.....	1320
Sec. 505, Public Works and Economic Development Act of 1965.....	1324
Programs:	
Loans and loan guarantees—Sec. 731, Economic Opportunity Act of 1964.....	1316
Grants—Secs. 712, 714, Economic Opportunity Act of 1964.....	1312, 1314
Redevelopment areas—Sec. 742, Economic Opportunity Act of 1964.....	1318
Regional Action Planning Commissions—Title V, Public Works and Economic Development Act of 1965.....	1321
Research—grants:	
Sec. 746, Economic Opportunity Act of 1964.....	1319
Rural:	
Loans—Sec. 722, Economic Opportunity Act of 1964.....	1315
Program—Sec. 712, Economic Opportunity Act of 1964.....	1312
Special rural programs—Secs. 721-723, Economic Opportunity Act of 1964.....	1315
Special impact programs—Part A, Title VII, Economic Opportunity Act of 1964.....	1311
Technical assistance:	
Sec. 713, 741, Economic Opportunity Act of 1964.....	1313, 1317
To Regional Commissions—Sec. 505, Public Works and Economic Development Act of 1965.....	1324
Training:	
Grants—Sec. 741, Economic Opportunity Act of 1964.....	1317
Programs—	
Sec. 505, Public Works and Economic Development Act of 1965.....	1324
White House Conference on Balanced National Growth and Economic Development, Sec. 201, Public Works and Economic Development.....	1497
Economic feasibility—rental housing assisted by interest reduction payments and mortgage insurance—Sec. 236(j), National Housing Act.....	289
Economic Opportunity Act of 1964—Title VII, Community economic development.....	1311
Economically sound:	
Property requirement for insurance of mortgages by HUD—Sec. 203(c), National Housing Act.....	187
Technically suitable materials can be economically sound—Sec. 521, National Housing Act.....	317
Economic mix—Sec. 8, U.S. Housing Act of 1937.....	402
Economy: Stabilization of wages and prices in construction, E.O. 11588.....	1498

INDEX

Educational facilities: <i>See also</i> : College housing	
Below market interest rate insured mortgages—available for facilities in Sec. 221 projects—Sec. 221(f), National Housing Act-----	Page 241
Federal loans or annual grants:	
Authorization—Title IV, Housing Act of 1950-----	469
Authorization—dollar limits—Sec. 401(d)(1), Housing Act of 1950-----	470
Authorization reduction—Chapter I, Public Law 93-529-----	477
Definitions:	
Educational facilities—Sec. 404(h), Housing Act of 1950---	476
Educational institution—Sec. 404(b), Housing Act of 1950---	475
Labor standards—Sec. 402(f), Housing Act of 1950-----	474
Interest reduction payments—insured mortgages—Sec. 236(j), National Housing Act-----	289
Prepayment of HUD-insured mortgages by nonprofit educational institutions—Sec. 517, National Housing Act-----	313
Sales insufficiencies and interest losses, Department of Labor and Health, Education, and Welfare Appropriation Act, 1977-----	699
Elderly or handicapped: <i>See also</i> : Housing for lower income families; Housing mortgage and loan insurance; Public housing; Rural housing. Accessibility of Federally-financed buildings to—Public Law 90-480--	147
Advisory Committee on Housing for the Elderly—Sec. 104, Housing Act of 1954-----	140
Assistance payments for lower income—Sec. 8, U.S. Housing Act of 1937; Sec. 236(f), 236(i), National Housing Act-----	288, 286, 402
Below market interest rate—insured mortgages—for lower incomes—Sec. 221(d)(3), 221(d)(4), 221(f), National Housing Act--	236, 238, 241
Buildings financed with Federal funds to be accessible to handicapped—Public Law 90-480-----	147
Congregate Housing Services, Congregate Housing Services Act of 1978-----	575
Downpayment on home for elderly can be paid by someone other than mortgagor—Sec. 203(b)(9), National Housing Act-----	187
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978---	562
Federal loans for housing:	
Assistance payments under Sec. 8, U.S. Housing Act of 1937 to be considered—Sec. 210(g), Housing and Community Development Act of 1974-----	467
Authorization—dollar limits—Sec. 202, Housing Act of 1959-----	461
Authorization—dollar limit for FY 1978—limitation on aggregate loans, Excerpts from Department of Housing and Urban Development * * * Appropriation Act, 1978-----	81
Coordination with State and local plans and HEW—Sec. 202(f), Housing Act of 1959-----	466
Definition of "elderly or handicapped"—Sec. 202(d)(4), Housing Act of 1959-----	464
Facilities for housing—Sec. 202(d)(8), Housing Act of 1959-----	465
Hotel or transient use prohibited—Sec. 202(c), Housing Act of 1959-----	463
Moderate incomes to be served as well as low incomes—Sec. 210(g), Housing and Community Development Act of 1974-----	467
Refinancing:	
Conversion of HUD Sec. 231 project to direct loan—Sec. 202(e), Housing Act of 1959-----	465
Interest reduction payment mortgage insurance program—Sec. 201(d), Housing and Urban Development Act of 1968-----	27, 468
Rehabilitation—Sec. 202(d)(7), Housing Act of 1959-----	465
Servicing of loans by private mortgage industry—Sec. 202(a)(5), Housing Act of 1959-----	463
Federal savings and loan associations—loans for housing facilities—12 U.S.C. 1464(c)-----	810
Interest reduction payments—mortgage insurance—for rental housing—Sec. 236(j), National Housing Act-----	289
Mortgage insurance—for rental housing—Sec. 231, 236, National Housing Act-----	264, 285
Need for housing for—Sec. 2, Senior Citizens Housing Act of 1962---	467

INDEX

Elderly or handicapped—Continued

Federal loans for housing—Continued	Page
President's Council on Aging—Executive Order 11022.....	1492
Refinancing of housing:	
Federal loan project to interest reduction payment mortgage insurance—Sec. 201(d), Housing and Urban Development Act of 1968.....	468
Sec. 231 mortgage insurance project to Federal loan—Sec. 202(e), Housing Act of 1959.....	465
Regulations which provide for coordinating processing of loan applications under Sec. 202 of the Housing Act of 1959 and Sec. 8 of the United States Housing Act of 1937, Sec. 202(g) of the Housing Act of 1959.....	466
Rehabilitation facilities—mortgage insurance—	
Sec. 303, Rehabilitation Act of 1973.....	382
Sec. 202(d) (7), Housing Act of 1959.....	465
Removal of barriers—community development—block grants—Sec. 105, Housing and Community Development Act of 1974.....	1060
Rent supplements—Title I, Housing and Urban Development Act of 1965.....	485
Rural housing assistance—Title V, Housing Act of 1949.....	701
Weatherization Assistance, Sec. 411, Energy Conservation Act of 1976.....	1005
Urban transportation:	
Meeting needs of—23 U.S.C. 1612.....	1038
Research on meeting needs of—23 U.S.C. 1612.....	1038
Demonstrations—meeting needs of—23 U.S.C. 1612.....	1038
Elementary and Secondary Education Amendments of 1967: Study of impact of children living in public housing—Sec. 111.....	529
Emergency Home Finance Act of 1970*:	
Title I—Reduction of interest charges—Federal home loan bank system.....	685
Title III—Federal Home Loan Mortgage Corporation Act.....	686
Sec. 701—Settlement Costs.....	625
Sec. 702—Interest rate conflicts between Federal and State laws.....	700
Emergency Homeowners Relief Fund—Sec. 107, Emergency Housing Act of 1975.....	456
Emergency Home Purchase Assistance Act of 1974.....	681
Emergency Housing Act of 1975*—Title I—Emergency mortgage relief... (Title II of 1975 Act relates to emergency purchase of home mortgages, amending sec. 313 of National Housing Act which was added by the Emergency Home Purchase Assistance Act of 1974. See "Secondary market" for housing loans: Government National Mortgage Association.)	453
Emergency housing mortgage relief:	
Advances by FDIC to insured lenders to facilitate participation by lenders in the emergency housing program—Sec. 113, Emergency Housing Act of 1975.....	459
Advances of credit to mortgagors—Sec. 104, Emergency Housing Act of 1975.....	454
Deferral of payment of advances—Sec. 104(e), Emergency Housing Act of 1975.....	455
Emergency mortgage relief payments—Sec. 104, 106, Emergency Housing Act of 1975.....	454, 456
Expiration date—Sec. 109(b), Emergency Housing Act of 1975.....	457
Forbearance by lenders to avoid foreclosures—Sec. 110, Emergency Housing Act of 1975.....	457
Insurance of loans or advances of credit to prevent foreclosures:	
Authority—Secs. 104, 105, Emergency Housing Act of 1975.....	454, 455
Limited to 40% of total advances or loans made by lending institutions—Sec. 105(b), Emergency Housing Act of 1975.....	455
Loans to prevent foreclosures:	
Authority—Sec. 104, Emergency Housing Act of 1975.....	454
Deferral of payment—Sec. 104(e), Emergency Housing Act of 1975.....	455

*Sections not listed amended other laws or do not appear in this Compilation.

INDEX

Emergency planning: <i>See also:</i> Disaster relief	Page
Emergency Preparedness Functions, E.O. 11490.....	149
Federal Emergency Management Agency, Executive Order 12127....	1425
Preparedness functions assigned to Secretary of HUD—Executive Order 11490.....	149
Reduction of vulnerability of urban area to attack—Sec. 811, Housing Act of 1954.....	141
Employment opportunities—Federally-assisted projects and community development block grants—Sec. 3, Housing and Urban Development Act of 1968; <i>See also:</i> Economic development.....	25
Energy conservation:	
Energy, Establishment of the Department of, Excerpts from Department of Energy Organization Act.....	997
Energy Coordinating Committee, Executive Order 12083.....	1486
Energy Policy and Conservation, Excerpts from Executive Order 12003.....	1021
Home improvements—insured loans for energy conserving—Sec. 2, National Housing Act.....	174
In Existing Buildings, Title IV, Energy Conservation Act of 1976.....	1004
Energy, Transfers of functions from the Department of Housing and Urban Development to the Department of Energy, Sec. 304, Department of Energy Organization Act.....	997
Standard for new buildings, Title III, Energy Conservation Act of 1976.....	998
Minimum property standards of HUD to promote—Sec. 526, National Housing Act.....	319
Purchase of Energy Conserving Improvement Loans to Low- and Moderate-Income Families Sec. 314 of the National Housing Act....	676
Public housing—Sec. 6(b), U.S. Housing Act of 1937.....	398
Solar energy demonstrations, residential housing, Sec. 506, Housing and Urban Development of 1970.....	507
Solar energy systems—insured loans for installation—Sec. 2, National Housing Act.....	174
Solar Heating and Cooling Demonstration Act of 1974.....	509
State plans—review of—Clean Air Act.....	985
Study—Housing Solar Energy and Weatherization—Report to the President and Congress, Sec. 311 of the GI Bill Improvement Act of 1977.....	776
Environment:	
Air and water pollution—prevent, control and abatement at Federal facilities—Executive Order 11507.....	1404
Annual report—Environmental Quality Report—Sec. 201, National Environmental Policy Act of 1969.....	1392
Cabinet Committee on the Environment—Executive Order 11472....	1397
Citizens Advisory Committee on Environmental Quality—Executive Order 11472.....	1397
Clean Air Act.....	985
Coastal resources and environment—Coastal Zone Management Act of 1972.....	947
Coastal zone impact (grants and loans) Sec. 305, Coastal Zone Management Act of 1972.....	951
Cultural environment—protection and enhancement—Executive Order 11593.....	1399
Environmental review, certification, etc.—community development block grants—Sec. 104(h), Housing and Community Development Act of 1974.....	1058
Federal Water Pollution Control Act Amendments of 1972.....	991
Interagency Cooperation, Sec. 7, Endangered Species Act of 1973....	1422
Impact statements—Circular A-95, Office of Management and Budget.....	911
Improvement of—rural—loans, loan insurance, loan guarantees—7 U.S.C. 1932.....	1287
Joint Federal assistance—rural—7 U.S.C. 1932(d).....	1288
National Environmental Policy Act of 1969.....	1389
National Industrial Pollution Control Council—established—Executive Order 11523.....	1409

INDEX

Environment—Continued	Page
Office of Environmental Quality—Sec. 203, Environmental Quality Improvement Act of 1970.....	1402
Pollution abatement:	
By Federal agencies—Executive Order 11514.....	1394
Investment Credit for Pollution Control Facilities, Section 313, Revenue Act of 1978.....	1408
Rural areas—grants, loans, loan insurance, loan guarantees—7 U.S.C. 1932.....	1287
Protection and enhancement of environmental quality—Executive Order 11514.....	1394
Rural areas—pollution abatement:	
Grants, loans, loan insurance, loan guarantees—7 U.S.C. 1932....	1287
Joint Federal assistance—7 U.S.C. 1932(d).....	1288
Urban transportation—protection—23 U.S.C. 1610.....	1037
Transfer of Certain Environmental Evaluation Functions, Executive Order 12040.....	1404
Water and air pollution—prevention, control and abatement at Federal facilities—Executive Order 11507.....	1404
Water pollution control—Federal Water Pollution Control Act Amendments of 1972.....	991
Water pollution—Excerpts from the Clean Water Act of 1977.....	995
Water resources planning:	
Great Lakes Basin Commission—Executive Order 11345.....	1413
Missouri River Basin Commission—Executive Order 11658.....	1420
New England River Basins Commission—Executive Order 11371.....	1417
Ohio River Basin Commission—Executive Order 11578.....	1412
Pacific Northwest River Basins Commission—Executive Order 11331.....	1410
Souris-Red-Rainy River Basins Commission—Executive Order 11359.....	1415
Upper Mississippi River Basin Commission—Executive Order 11659.....	1419
Water Resources Council.....	1519
Water Total Treatment System Funding, Clean Water Act of 1977.....	995
Environmental Quality Improvement Act of 1970—Title II—Environmental Quality.....	1402
Erosion: See Flood insurance	
Executive Orders of the President:	
E.O. 10657—Transferring to the Housing and Home Finance Administrator certain functions of the Atomic Energy Commission under the Atomic Energy Community Act of 1955.....	1222
E.O. 10894—President's Committee on Migratory Labor.....	1490
E.O. 11022—President's Council on Aging.....	1492
E.O. 11063—Equal Opportunity in Housing.....	596
E.O. 11105—AEC community disposal.....	1224
E.O. 11196—President's functions delegated to Housing Administrator.....	143
E.O. 11237—Coordination of open space land and outdoor recreation programs.....	1178
E.O. 11246—Equal employment opportunity.....	1376
E.O. 11274—Officers who may act as Secretary of HUD.....	146
E.O. 11296—Flood hazards—location of Federal property.....	1470
E.O. 11297—Coordination of Federal Urban Programs (convener powers).....	156
E.O. 11330—President's Council on Youth Opportunity.....	1493
E.O. 11331—Pacific Northwest River Basins Commission.....	1410
E.O. 11345—Great Lakes Basin Commission.....	1413
E.O. 11359—Souris-Red-Rainy River Basins Commission.....	1415
E.O. 11371—New England River Basins Commission.....	1417
E.O. 11386—Coordination of economic development commissions and the Federal Government.....	1329
E.O. 11399—National Council on Indian Opportunity.....	1503
E.O. 11422—Cooperative Area Manpower Planning System.....	1504
E.O. 11455—Establishing an Office of Intergovernmental Relations....	895
E.O. 11466—Joint funding.....	141

INDEX

Executive Orders of the President—Continued	Page
E.O. 11472—Cabinet Committee on the Environment—Citizens Advisory Committee on Environmental Quality.....	1397
E.O. 11478—Equal employment opportunity in the Federal Government	1371
E.O. 11490—Assigning emergency preparedness functions to the Department of HUD.....	149
E.O. 11507—Air and water pollution—prevention, control and abatement at Federal facilities.....	1404
E.O. 11509—President's Advisory Council on Management Improvement	1496
E.O. 11512—Federal space—planning, acquisition, and management.....	1515
E.O. 11514—Environment—protection and enhancement of environmental quality.....	1394
E.O. 11523—National Industrial Pollution Control Council.....	1409
E.O. 11526—National Council on Federal Disaster Assistance.....	1468
E.O. 11575—Disaster Relief Act of 1970—administration of.....	1467
E.O. 11578—Ohio River Basin Commission.....	1412
E.O. 11588—Construction Industry Stabilization Committee.....	1498
E.O. 11593—Protection and enhancement of the cultural environment.....	1399
E.O. 11603—National Voluntary Action Council.....	1512
E.O. 11607—Advisory Council on Intergovernmental Personnel Policy.....	1514
E.O. 11609—Delegations of functions by the President.....	155
E.O. 11615—Cost of Living Council—stabilization of prices, rents, wages and salaries.....	1508
E.O. 11625—Minority business enterprises.....	1385
E.O. 11647—Functions of Federal agencies.....	1511
E.O. 11654—Federal Fire Council.....	1508
E.O. 11658—Missouri River Basin Commission.....	1420
E.O. 11659—Upper Mississippi River Basin Commission.....	1419
E.O. 11662—Further providing for administration of disaster relief.....	1479
E.O. 11668—National Center for Housing Management.....	1502
E.O. 11678—Repair of educational institutions damaged by Hurricane Tropical Storm Agnes.....	1479
E.O. 11725—Transfer of certain functions of the Office of Emergency Preparedness to the Secretary of HUD.....	1476
E.O. 11749—Consolidating disaster relief functions assigned to the Secretary of HUD.....	1473
E.O. 11764—Nondiscrimination in Federally assisted programs.....	1384
E.O. 11794—Civil Defense Medical and Food Stockpiles.....	1473
E.O. 11795—Delegating certain disaster relief functions.....	1472
E.O. 11892—Federal Regional Councils.....	1509
E.O. 12003—Energy Policy and Conservation.....	1021
E.O. 12013—Sec. 8, Establishment of the Statistical Policy Coordination Committee.....	1485
E.O. 12040—Relating to the Transfer of Certain Environmental Evaluation Functions.....	1404
E.O. 12044—Improving Government Regulations.....	937
E.O. 12045—Relating to the Domestic Policy Staff, the Office of Drug Abuse Policy and the Economic Opportunity Council—Reorganization Plan No. 1 of 1977.....	1506
E.O. 12049—Defense Economic Adjustment Programs.....	152
E.O. 12067—Providing for Coordination of Federal Equal Employment Opportunity Programs.....	1373
E.O. 12072—Federal Space Management.....	1517
E.O. 12074—Urban and Community Impact Analyses.....	1044
E.O. 12075—Interagency Coordinating Council.....	1045
E.O. 12083—Energy Coordinating Committee.....	1486
E.O. 12127—Federal Emergency Management Agency.....	1425
Fair Housing: See: Civil Rights	
Farmers Home Administration: See also: Rural housing	
Acting for Secretary of Agriculture—Sec. 501, Housing Act of 1949...	701
Consolidated Farmers Home Administration Act of 1961.....	1277
Powers, duties and assets—7 U.S.C. 1981.....	1293
Farm homes: See: Housing mortgage and loan insurance; Rural housing	
Federal Advisory Council on Regional Economic Development—Executive Order 11386: See also: Economic development.....	1329
Federal development—Circular A-95, Office of Management and Budget...	911

INDEX

	Page
Federal Financing Bank:	
Annual report required—Sec. 13, Federal Financing Bank Act of 1973.....	836
Creation—Sec. 4, Federal Financing Bank Act of 1973.....	831
Functions—Sec. 6, Federal Financing Bank Act of 1973.....	832
Guaranteed mortgage-backed securities of GNMA eligible for purchase by—Sec. 313(d), National Housing Act.....	674
Local public agencies—purchase of obligations of—Sec. 16, Federal Financing Bank Act of 1973.....	836
Obligations of—Sec. 9, Federal Financing Bank Act of 1973.....	833
Study of direct loans in lieu of interest reduction payments and loan guarantees for housing—Sec. 822, Housing and Community Develop- ment Act of 1974.....	521
Federal Financing Bank Act of 1973.....	831
Federal Flood Insurance Act of 1956—Sec. 15(e).....	1275
Federal home loan banks:	
Advances—12 U.S.C. 1426, 1429, 1430.....	802, 803
Building and loan associations—members—12 U.S.C. 1424.....	798
Examination—12 U.S.C. 1440.....	807
Interest charges by:	
Limitations—12 U.S.C. 1425.....	798
Reduction of—Sec. 101, Emergency Home Finance Act of 1970.....	685
Interest payable by members—12 U.S.C. 1425b.....	800
Investments—12 U.S.C. 1431, 1436.....	805, 806
Members—12 U.S.C. 1424, 1444.....	798, 808
Obligations tax exempt—12 U.S.C. 1433.....	805
Savings and loan associations—members—12 U.S.C. 1424.....	798
Federal Home Loan Bank Board; <i>See also:</i> Federal home loan banks; Fed- eral savings and loan associations; Secondary market—Federal Home Loan Mortgage Corporation	
Annual report—12 U.S.C. 1437.....	806
Creation—powers and duties—12 U.S.C. 1437.....	806
Examination of Federal home loan banks—12 U.S.C. 1440.....	807
Federal Home Loan Mortgage Corporation; <i>See:</i> Secondary market	
Federal Home Loan Mortgage Corporation Act.....	686
Federal Housing Administration; <i>See also:</i> Housing mortgage and loan insurance	
Federal Housing Commissioner—Sec. 4(a), Department of Housing and Urban Development Act.....	10
Transfer to Department of Housing and Urban Development—Sec. 5, Department of Housing and Urban Development Act.....	11
Federal National Mortgage Association; <i>See:</i> Secondary market	
Federal National Mortgage Association Charter Act.....	672
Federal Property and Administrative Services Act of 1949—Title VIII, Federal Urban Land-Use Act.....	891
Federal reserve banks:	
Guaranteed-mortgage-backed securities issued by GNMA—eligible for purchase by—Sec. 313(d), National Housing Act.....	674
Investment limitations—same as national banks—12 U.S.C. 335.....	789
Obligations guaranteed by U.S.—investment in—12 U.S.C. 355.....	789
Federal savings and loan associations:	
Administration and regulation of—12 U.S.C. 1464(d).....	816
Borrowing authorized from State mortgage finance agencies—12 U.S.C. 1464(c).....	810
Business development credit corporations—loans to—12 U.S.C. 1464 (c).....	810
Construction loans—12 U.S.C. 1464(c).....	810
District of Columbia—12 U.S.C. 1466a.....	829
Education loans—12 U.S.C. 1464(c).....	810
Elderly, loans for housing for—12 U.S.C. 1464(c).....	810
Fiscal agents—12 U.S.C. 1464(k).....	828
Home loan dollar limits—12 U.S.C. 1464(c).....	810
Housing loans—12 U.S.C. 1464(c).....	810
Improvement loan limit—12 U.S.C. 1464(c).....	810
Investments—12 U.S.C. 1464(c).....	810
Land development loans—investments in—12 U.S.C. 1464(c).....	810
Lending authority—12 U.S.C. 1464(c).....	810

INDEX

Federal savings and loan associations—Continued	Page
Loans to State mortgage finance agencies—12 U.S.C. 1464(c)-----	810
Mobile homes—loans for and investments in such loans—12 U.S.C. 1464(c)-----	810
National housing partnership—investment in—12 U.S.C. 1464(c)-----	810
New communities—investment in guaranteed obligations of—12 U.S.C. 1464(c)-----	810
Organizations—12 U.S.C. 1464-----	809
Share and stock subscriptions by U.S. Treasury—12 U.S.C. 1464(g)---	825
State housing corporations—investments in—loans to—12 U.S.C. 1464 (c), 1469, 1470-----	809, 829, 830
State mortgage finance agencies—loans to savings and loan associations—12 U.S.C. 1464(c)-----	810
Urban renewal areas—loans—12 U.S.C. 1464(c)-----	810
Federal Space Management, Executive Order 12072-----	1517
Federal Urban Land-Use Act-----	891
Federal Water Pollution Control Act-----	991
Federal Water Pollution Control Act Amendments of 1972-----	991
Fees and charges—by Secretary of HUD—Sec. 7(j), Department of Housing and Urban Development Act-----	14
Fire fighting equipment—grants—volunteer fire departments—rural areas—7 U.S.C. 1926-----	1278
Fire Research and Safety Act of 1968:	
Sec. 101—Fire research and safety program-----	531
Title II—National Commission on Fire Prevention and Control-----	531
Fire safety equipment:	
Community development—block grants—Sec. 105, Housing and Community Development Act of 1974-----	1060
Insurance of loans:	
Loans for—Sec. 2, National Housing Act-----	174
Supplemental loans for multifamily housing, group practice facilities, hospitals—Sec. 241, National Housing Act-----	297
First Independent Offices Appropriation Act, 1954—public housing restriction-----	449
Flood Disaster Protection Act of 1973-----	1245
Flood facilities: <i>See also:</i> Flood insurance	
Community development—block grants—Title I, Housing and Community Development Act of 1974-----	1047
Flood insurance:	
Consultation with other Federal agencies—Secs. 1317, 1360, Housing and Urban Development Act of 1968-----	1261, 1268
Erosion of shorelines—Sec. 1302(g), Housing and Urban Development Act of 1968-----	1251
Expansion of national flood insurance programs—Flood Disaster Protection Act of 1973-----	1245
Federal assistance stopped in flood prone areas with no flood insurance program—Sec. 202, Flood Disaster Protection Act of 1973-----	1248
Federal Flood Insurance Act of 1956, Sec. 15(e)-----	1275
Federal-private program—Title XIII, Housing and Urban Development Act of 1968 (National Flood Insurance Act of 1968)-----	1250
Flood Insurance Advisory Committee—Sec. 1318, Housing and Urban Development Act of 1968-----	1261
Government program—Chapter II, Part B, Title XIII, Housing and Urban Development Act of 1968-----	1265
Grants—identification of flood prone areas—Sec. 1360, Housing and Urban Development Act of 1968-----	1268
Identification of flood prone areas—grants—Sec. 1360, Housing and Urban Development Act of 1968-----	1268
Industry program—Chapter II, Part A, Title XIII, Housing and Urban Development Act of 1968-----	1262
Land use controls:	
Sec. 1305(c), 1315, Housing and Urban Development Act of 1968-----	1253, 1261
Chapter III, Title XIII, Housing and Urban Development Act of 1968-----	1268
Local officials—consultation required—Sec. 206, Flood Disaster Protection Act of 1973-----	1249

INDEX

Flood insurance—Continued

Louisiana—Sec. 1307(d), Housing and Urban Development Act of 1968	Page 1256
Low-income persons—Sec. 1314(b), Housing and Urban Development Act of 1968	1260
Mudslides—Insurance for—sec. 1302, Housing and Urban Development Act of 1968	1250
National Flood Insurance Act of 1968	1250
National Flood Insurance Fund—Sec. 1310, Housing and Urban Development Act of 1968	1258
Notification to flood-prone areas—Sec. 201, Flood Disaster Protection Act of 1973	1247
Purchase of damaged property by Federal government—Sec. 1362, Housing and Urban Development Act of 1968	1270
Reinsurance—Sec. 1335, Housing and Urban Development Act of 1968	1260
Studies, surveys and annual reports—Secs. 1320, 1371, Housing and Urban Development Act of 1968	1262, 1274
Technical assistance—identification of flood prone areas—Sec. 1360, Housing and Urban Development Act of 1968	1268
Foreign Assistance Act of 1961—Secs. 221-224, International housing	558
Forest tracts: <i>See</i> : National Banks—loans	
Fraud—HUD—insured or Federally-assisted mortgage—Sec. 819, Housing and Community Development Act of 1974	23
General neighborhood renewal plans: <i>See</i> : Urban renewal	
Government National Mortgage Association (GNMA): <i>See</i> : Secondary market	
Greenbelt towns—mortgage insurance for sale of—Sec. 223, National Housing Act	254
Group practice facilities: <i>See</i> : Health care facilities	
Guam: <i>See also</i> : Territories	
Housing mortgage and loan insurance—Sec. 214, National Housing Act	221
Public housing—enabling act—Public Law 88-171	500
Rural housing assistance—Title V, Housing Act of 1949	701
State housing finance and community development agencies—assistance—Sec. 802, Housing and Community Development Act of 1974	571
Urban renewal—enabling act—Public Law 88-171	500
Yield insurance—rental housing—Sec. 713(q), National Housing Act	345
Handicapped: <i>See</i> : Elderly or handicapped	
Hawaii: <i>See also</i> : Territories; Housing mortgage and loan insurance	
Housing mortgage insurance—Sec. 214, National Housing Act	221
Headstart, Economic Opportunity, and Community Partnership Act of 1974—	
Sec. 2—Purpose	1311
Sec. 10—Community economic development	1311
Health care facilities: <i>See also</i> : Nursing homes	
Coordination—Mortgage insurance—Secretary of HUD to utilize other Federal agencies—Sec. 1105, National Housing Act	375
Group practice facilities:	
Mortgage and loan insurance—	
Authorization—expiration date—Sec. 1101(a), National Housing Act	372
Builder's cost certification—Sec. 227, National Housing Act	260
Definition—Sec. 1106(2), National Housing Act	376
Equipment for—supplemental loan insurance—Sec. 241, National Housing Act	297
Lower income families in older declining areas—service to—Sec. 223(e), National Housing Act	257
Supplemental loan insurance—Sec. 241, National Housing Act	297
Fire safety equipment—FHA insured loans for—Sec. 2, National Housing Act	174
Hospitals:	
Mortgage insurance—Sec. 242, National Housing Act	300
Refinancing—Sec. 242(g), National Housing Act	302
Supplemental loans for improvements or additions to—insurance—Sec. 241, National Housing Act	297

INDEX

Health care facilities—Continued

Intermediate care facilities:

	Page
Mortgage insurance—Sec. 232, National Housing Act.....	267
Consultation between Secretaries of HUD and HEW required— Sec. 232, National Housing Act.....	267

Medical centers—planning advances—Sec. 702, Housing Act of 1954....	1151
---	------

Medical practice facilities:

Mortgage insurance—

Authorization—Title XI, National Housing Act.....	372
Definition—Sec. 1106(2), National Housing Act.....	376
Rehabilitation facilities—handicapped: Mortgage insurance by Sec- retary of HEW—Sec. 303, Rehabilitation Act of 1973.....	382
Rehabilitation Facilities Insurance Fund—Sec. 303, Rehabilitation Act of 1973.....	382

Historic preservation:

Advisory Council on Historic Preservation—Sec. 201, Public Law 89-665	1187
--	------

Community development—block grants—Title I, Housing and Com- munity Development Act of 1974.....	1047
---	------

Federal, State and local governments—preservation of historic prop- erties—Executive Order 11593.....	1399
--	------

Grants:

Secretary of HUD—Title VII, Housing Act of 1961.....	1175
--	------

Termination of authority—Sec. 116, Housing and Community Development Act of 1974.....	1077
--	------

Secretary of Interior—Sec. 101, Public Law 89-665.....	1184
--	------

Insurance of preservation loans—Sec. 2, National Housing Act.....	174
---	-----

Model cities—Sec. 103(b) Demonstration Cities and Metropolitan Development Act of 1966.....	1169
--	------

Nominations by Federal agencies for National Register of Historic Places—Executive Order 11593.....	1399
--	------

Open-space land—approval for conversion to other use—Sec. 705, Housing Act of 1961.....	1177
--	------

Restoration costs—grants to National Trust for Historic Preserva- tion—Sec. 603, Demonstration Cities and Metropolitan Develop- ment Act of 1966.....	1183
---	------

Surveys of structures and sites—grants—Sec. 701(i), Housing Act of 1954	981
--	-----

Urban renewal—Sec. 110(b), Housing Act of 1949.....	1122
---	------

Home Loan Bank Board: <i>See also:</i> Federal Home Loan Bank Board Termi- nation of—12 U.S.C. 1437.....	806
---	-----

Home Owners' Loan Act of 1933—Federal savings and loan associations— 12 U.S.C. 1461-1470.....	809
--	-----

Homesteading: *See:* Urban homesteading

Hospitals: *See:* Health care facilities; Urban renewal

Hotels:

Elderly or handicapped—housing—financed with Federal loans—not to be used for—Sec. 202(c), Housing Act of 1959.....	463
--	-----

HUD housing not to be used for—Sec. 518, National Housing Act.....	313
--	-----

Urban renewal:

Construction limited—Sec. 106(g), Housing Act of 1949.....	1119
--	------

Special requirements—Sec. 106(g), Housing Act of 1949.....	1119
--	------

Housing Act of 1948*:

Title III—Research.....	523
Sec. 502—Administrative provisions.....	138

Housing Act of 1949*:

Sec. 2—National housing policy.....	1
-------------------------------------	---

Title I—Slum clearance and urban renewal.....	1103
---	------

Title V—Farm housing.....	701
---------------------------	-----

Sec. 601—General authority.....	140
---------------------------------	-----

Sec. 612—Strikes prohibited.....	145
----------------------------------	-----

Sec. 606—Conversion of State projects to public housing.....	446
--	-----

Housing Act of 1950*:

Title IV—Housing for educational institutions.....	469
--	-----

Sec. 505—Right of redemption—FHA.....	386
---------------------------------------	-----

Sec. 508—Resales of HUD housing.....	386
--------------------------------------	-----

*The sections and titles of the Act listed here are only occasional ones that are not enacted as amendments of other acts that are referred to elsewhere in this compilation.

INDEX

Housing Act of 1954*:	Page
Secs. 312, 314—Urban renewal.....	1146
Sec. 701—Comprehensive planning grants.....	977
Sec. 702—Planned public works.....	1151
Sec. 801—Builders' warranty—HUD housing.....	386
Sec. 802—Annual report to Congress.....	6
Sec. 811—Vulnerability of attack.....	141
Sec. 814-816—Records and audits required.....	142, 143
Sec. 817—Annual Report.....	6
Housing Act of 1956*:	
Sec. 104—Advisory committee, housing for the elderly.....	140
Sec. 602—Research.....	525
Housing Act of 1957*: Sec. 604—Exchange of data—international housing.....	557
Housing Act of 1959*:	
Sec. 202—Housing for the elderly or handicapped.....	461
Sec. 306—Sale of mortgages to GNMA.....	663
Housing Act of 1961*:	
Sec. 207—Demonstration programs.....	451
Title VII—Open-space land.....	1175
Housing Act of 1964*: Sec. 312, Rehabilitation loans.....	479
Housing allowance payments: <i>See also:</i> Housing for lower income families—assistance payments	
Authorization—dollar limit—time limit—Sec. 504, Housing and Urban Development Act of 1970.....	505
Demonstration programs and report—Sec. 504, Housing and Urban Development Act of 1970.....	505
Housing Amendments of 1955*:	
Section 102—Special Assistant Commissioner for Cooperative Housing.....	145
Title II—Public facility loans.....	1155
Title VIII—Armed services housing mortgage insurance.....	345
Housing and Community Development Act of 1977*, Title I.....	1047
Housing and Community Development Act of 1974*:	
Title I—Community development—block grants.....	1047
Sec. 209—Low income housing for the elderly or handicapped.....	411
Sec. 210—Elderly or handicapped housing.....	467
Sec. 213—Housing assistance plans—allocation of housing funds.....	21
Title VI—Mobile home construction and safety standards.....	627
Sec. 802—State housing finance and development agencies.....	571
Sec. 809—National Institute of Building Sciences.....	159
Sec. 810—Urban homesteading.....	491
Sec. 817—Withholding or conditioning of assistance.....	23
Sec. 819—Fraud by mortgagors.....	23
Sec. 820—Neighborhood development.....	1149
Sec. 821—Study and report on condominiums and cooperatives.....	521
Sec. 822—Study and report on direct financing in lieu of interest reduction grants for State-aided housing.....	521
Housing and Home Finance Agency—transfer to Department of Housing and Urban Development—Sec. 5, Department of Housing and Urban Development Act.....	11
Housing Act of 1964*: Title VIII—Training and fellowship programs.....	549
Housing and Urban Development Act of 1965*:	
Sec. 101—Special provisions for disadvantaged persons.....	485
Sec. 107—Mortgage relief for certain homeowners.....	387
Sec. 301—Study of codes, zoning, tax policies and development standards.....	523
Title IV—Compensation of condemnees.....	1358
Title VII—Community facilities.....	1161
Sec. 1112—Repayment of planning grants.....	1154
Sec. 1113—Relief of homeowners in proximity to airports.....	523
Housing and Urban Development Act of 1968*:	
Sec. 2—Declaration of policy.....	3
Sec. 3—Employment opportunities.....	25
Sec. 4—Architectural design in government housing programs.....	26
Sec. 101—Homeownership for lower income families.....	537

*The sections and titles of the Act listed here are only occasional ones that are not enacted as amendments of other acts that are referred to elsewhere in this compilation.

INDEX

Housing and Urban Development Act of 1968*—Continued	Page
Sec. 106-110—Homeownership for lower income families.....	537-547
Sec. 201—Transfers to below-market interest rate mortgage insurance program	27, 468
Title IV—New Communities Act of 1968.....	879
Title VIII—Secondary mortgage market.....	683
Title IX—National housing partnerships.....	839
Title XI—Urban property protection and reinsurance.....	1228
Title XIII—National Flood Insurance.....	1250
Title XIV—Interstate land sales.....	601
Secs. 1601-1603—Reaffirmation of goal and reports.....	3-5
Sec. 1604—Commission on Mortgage Interest Rates.....	385
Sec. 1714—Self-help studies.....	509
Housing and Urban Development Act of 1969*: Sec. 414—Sale of surplus Federal land for housing and related community and industrial facilities for lower income families.....	27
Housing and Urban Development Act of 1970*:	
Title IV—Consolidation of open-space land programs.....	1175
Title V—Research and technology.....	503
Title VII—National Urban policy and new community development..	863
Sec. 911(b)—Technical assistance to contractors.....	556
Sec. 912—Equity skimming.....	387
Housing assistance plans—See Local housing assistance plans	
Housing codes—workable program for community improvement requires—	
Sec. 101(c), Housing Act of 1949.....	1104
Housing for lower income families: <i>See also</i> : Housing mortgage and loan insurance; Housing for middle income families: Public housing; Rural housing; Emergency Housing Act of 1975	
Acceptable risk—HUD mortgage insurance property requirements:	
Alaska, Guam or Hawaii—	
Sec. 214, National Housing Act.....	221
Sec. 806, National Housing Act.....	351
Home improvement loans—Sec. 203(k), National Housing Act...	190
Older declining urban areas—Sec. 223(e), National Housing Act...	257
Seasonal homes—Sec. 203(m), National Housing Act.....	192
Suburban and outlying areas—Sec. 203(i), National Housing Act...	189
Abandoned housing or structures—available for housing for lower income families under demonstration program—Sec. 505, Housing and Urban Development Act of 1970.....	505
Allowance payments—demonstration program and report of findings—Sec. 504, Housing and Urban Development Act of 1970.....	505
Appalachian region—preliminary expenses of planning housing and its finances—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
Assistance payments:	
Allocation of housing assistance funds—Sec. 213, Housing and Community Development Act of 1974.....	21
Authorized—Sec. 8, U.S. Housing Act of 1937; Sec. 236, National Housing Act.....	285, 402
Contracts for security for loans for construction or rehabilitation—Sec. 8(e), U.S. Housing Act of 1937.....	405
Operating Assistance for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978	562
Public housing agencies eligible for—Sec. 8, U.S. Housing Act of 1937.....	402
Below market interest rate insured mortgages:	
Condominiums—Sec. 221(h), 221(i), National Housing Act...	245, 249
Cooperatives—Secs. 221(d) (3), 221(j), National Housing Act...	236, 250
Displaced families eligible for—Sec. 221, National Housing Act...	234
Land for housing—transfer of surplus Federal land to HUD for sale or lease for—Sec. 414, Housing and Urban Development Act of 1969.....	27
Limited dividend—Sec. 221(d) (3), National Housing Act.....	236
Nonprofit organizations—Sec. 221(d) (3), National Housing Act...	236

*The sections and titles of the Act listed here are only occasional ones that are not enacted as amendments of other acts that are referred to elsewhere in this compilation.

INDEX

Housing for lower income families—Continued

Below market interest rate insured mortgages—Continued	Page
Public bodies or agencies—Sec. 221(d)(3), National Housing Act	236
Purchase of existing rental housing—Sec. 223(f), National Housing Act	258
Purchase of homes and rehabilitation and sale—Sec. 221(h), National Housing Act	245
Refinancing of existing rental housing—Sec. 223(f), National Housing Act	258
Rent supplements—Title I, Housing and Urban Development Act of 1965	485
Community development—included in—block grants—Title I, Housing and Community Development Act of 1974	1047
Condominiums:	
Below market interest rate insured mortgages—Secs. 221(h) and 221(i), National Housing Act	245, 249
Interest reduction payments and insured mortgages:	
Homes—Sec. 235, National Housing Act	276
Purchase by nonprofit and public bodies or agencies and rehabilitation of housing—resale to lower income families—Sec. 235(j), National Housing Act	282
Interest subsidy payments and mortgage insurance—Sec. 243, National Housing Act	302
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978	562
Supplemental loans for improvements or additions—insured—Sec. 241, National Housing Act	297
Cooperatives:	
Below market interest rate insured mortgages—Sec. 221(d)(3), 221(j), National Housing Act	236, 250
Interest reduction payments and HUD-insured mortgage—Sec. 235, 236, National Housing Act	276, 285
Interest subsidy payments—Sec. 243, National Housing Act	302
Multifamily project acquired under default by HUD can be sold to nonprofit cooperative—Sec. 246, National Housing Act	308
Supplemental loans for improvements or additions—insured—Secs. 213(j), 241, National Housing Act	217, 297
Counseling assistance:	
Credit counseling—Sec. 712, Economic Opportunity Act of 1964	1312
Home mortgagors—Sec. 237, National Housing Act; Sec. 106, Housing and Urban Development Act of 1968	292, 537
Home and budget management and home maintenance—grants and loans—National Homeownership Foundation—Sec. 107(c), Housing and Urban Development Act of 1968	541
Sponsors—Sec. 106, Housing and Urban Development Act of 1968	537
Tenants and homeowners—Sec. 106, Housing and Urban Development Act of 1968	537
Tenant counseling—public housing—Sec. 3, U.S. Housing Act of 1937	391
Demonstrations:	
Grants by Secretary of HUD—Sec. 207, Housing Act of 1961	451
Housing allowance payments—Sec. 504, Housing and Urban Development Act of 1970	505
Loans and grants for—National Homeownership Foundation—Sec. 107(d)(1), Housing and Urban Development Act of 1968	542
Displaced families:	
Below-market interest rate mortgage insurance—eligible for—Sec. 221(f), National Housing Act	241
Interest reduction payments—homes—mortgage insurance—Sec. 235, National Housing Act	276
Management, National Center for—E.O. 11668	1502
Mortgage insurance—Secs. 221, 223(b), 235, National Housing Act	234, 256, 276
Self-help housing—Sec. 235(i), National Housing Act	281
Economic mix to be promoted by housing assistance payments—Sec. 8, U.S. Housing Act of 1937	402

INDEX

Housing for lower income families—Continued

	Page
Elderly or handicapped:	
Assistance payments for—Sec. 8, U.S. Housing Act of 1937; Sec. 236(f) (2), National Housing Act.....	402, 286
Below market interest rate home mortgage insurance, FHA—	
Eligible for—Sec. 221(f), National Housing Act.....	241
Demonstrations—Sec. 207, Housing Act of 1961.....	451
Interest reduction payments—rental housing—mortgage insurance—	
Eligible for occupancy—Sec. 236, National Housing Act.....	285
Refinancing of direct loan housing project under—Sec. 201(d), Housing and Urban Development Act of 1968.....	468
Public housing—	
Eligible for—Secs. 3, 6(a), 7, U.S. Housing Act of 1937.....	391, 398, 402
Eligibility for—Sec. 2, Housing Authorization Act of 1976.....	412
Priority for Admission to—, United States Housing Act of 1937.....	367
Design and related facilities for—Sec. 209, Housing and Community Development Act of 1974.....	411
Energy-Conserving Improvements for Assisted Housing, Sec. 251, National Energy Conservation Policy Act.....	534
Guaranteed loans and loans—low interest rate—Sec. 731, Economic Opportunity Act of 1964.....	1316
Improvement and rehabilitation of housing:	
Assistance payments contracts security for loans for—Sec. 8, U.S. Housing Act of 1937.....	402
Below market interest rate insured mortgages:	
Homes—Sec. 221, National Housing Act.....	234
Purchase and improvement by nonprofit organizations and sale to lower income families—Sec. 221(h), National Housing Act.....	245
Interest reduction payments—mortgage insurance—Sec. 235(j), National Housing Act.....	282
Urban homesteading—Sec. 810, Housing and Community Development Act of 1974.....	491
Weatherization Assistance—Sec. 411, Energy Conservation Act of 1976.....	1005
Interest reduction payments and mortgage insurance:	
Homes:	
Additional assistance payments—Sec. 235(j) (7), National Housing Act.....	284
Authorization—Sec. 235, National Housing Act.....	276
Cooperative—Sec. 236, National Housing Act.....	285
Rural housing—Sec. 235(k), National Housing Act.....	284
State-aided housing—Sec. 235, National Housing Act.....	276
Rental housing:	
Additional assistance payments—Sec. 236(f), National Housing Act.....	286
Authorization—Sec. 236, National Housing Act.....	285
Cooperative—Sec. 236, National Housing Act.....	285
Operation expenses—assistance payments—Sec. 236(f), National Housing Act.....	286
Management can be supervised by State or local agencies—Sec. 236(p), National Housing Act.....	292
Purchase or refinancing of existing rental housing—Sec. 223(f), National Housing Act.....	258
Interest subsidy payments—Sec. 243, National Housing Act.....	302
Land development—encouragement of housing for required—Sec. 1005, National Housing Act.....	370
Land for housing:	
New technologies for housing on Federal land—Sec. 108, Housing and Urban Development Act of 1968.....	544
Surplus Federal land—transfer of to HUD for sale or lease for housing—Sec. 414, Housing and Urban Development Act of 1969.....	27

INDEX

Housing for lower income families—Continued

Leased housing: For rent to lower income families—Sec. 23, Old U.S. Housing Act of 1937; Sec. 208, Housing and Community Development Act of 1974.....	Page 442, 384
Loans and loan guarantees—low interest rate—Sec. 731, Economic Opportunity Act of 1964.....	1316
Loans for construction or rehabilitation of housing secured by Federal assistance payments contracts—Sec. 8, U.S. Housing Act of 1937.....	402
Local housing assistance plan—required for assistance payments—Sec. 8(c) (1), U.S. Housing Act of 1937.....	403
Mobile homes:	
Courts or parks—mortgage insurance—Sec. 207, National Housing Act.....	202
Lots—purchase of—loan insurance—Sec. 2, National Housing Act.....	174
Purchase of—loan insurance—Sec. 2, National Housing Act.....	174
Rental Assistance for Mobile Homes Under Sec. 8(j) (2), United States Housing Act of 1937.....	408
National Advisory Commission on Low Income Housing—study of ways to provide—Sec. 110, Housing and Urban Development Act of 1968.....	545
National Homeownership Foundation:	
Encouragement of housing for lower income families—Sec. 107, Housing and Urban Development Act of 1968.....	542
Loans and grants to organizations for homeownership assistance and demonstrations—Sec. 107(d) (1), Housing and Urban Development Act of 1968.....	542
New techniques for:	
Federal land for use of new techniques—Sec. 108, Housing and Urban Development Act of 1968.....	544
Mortgage insurance—Sec. 233, National Housing Act.....	270
National Homeownership Foundation—loans and grants to organizations—Sec. 107(d) (1), Housing and Urban Development Act of 1968.....	542
Nonprofit housing:	
Assistance payments—Sec. 8, U.S. Housing Act of 1937; Sec. 236 (f), National Housing Act.....	286, 402
Below market interest rate mortgage insurance—homes—Secs. 221(d) (3) and 221(h), National Housing Act.....	236, 245
Interest reduction payments and mortgage insurance:	
Homes—Sec. 235(j) National Housing Act.....	282
Rental housing—Sec. 236, National Housing Act.....	285
Older declining areas:	
Homes—Purchase and rehabilitation—mortgage insurance—Sec. 223(e), National Housing Act.....	257
Rental housing—Purchase or refinancing—mortgage insurance—Sec. 223(f), National Housing Act.....	258
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978.....	562
Operations or utilities—rental housing—assistance payments—Sec. 236(f), National Housing Act.....	286
Operations and other expenses—rental housing—insured loan to cover first 2 years—Sec. 223(d), National Housing Act.....	256
Outlying areas—home mortgage insurance—Secs. 8 and 203(i), National Housing Act.....	181, 189
Preliminary expenses—for planning and obtaining financing:	
Loans—Sec. 196(b), Housing and Urban Development Act of 1968.....	538
Loans and grants—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
Public bodies or agencies:	
Assistance payments—rental housing—Sec. 8, U.S. Housing Act of 1937; Sec. 236(f), National Housing Act.....	286, 402
Interest reduction payments—mortgage insurance:	
Homes—purchase and rehabilitation (if needed) and resale to lower income purchasers—Sec. 235(j), National Housing Act.....	282
Rental housing—Sec. 236, National Housing Act.....	285

INDEX

Housing for lower income families—Continued

Public housing agencies—assistance payments to—Sec. 8, U.S. Housing Act of 1937.....	Page 402
Reasonably satisfactory credit risk—homes—acceptable for mortgage insurance—Sec. 237, National Housing Act.....	292
Refinancing:	
Rental housing—to interest reduction payment mortgage insurance under Sec. 236 of the National Housing Act—Secs. 201(c) and 201(d), Housing and Urban Development Act of 1968.....	22
Rental housing—to any Title II HUD mortgage insurance program—Sec. 223(f), National Housing Act.....	258
Weatherization Assistance for Low Income Persons—Sec. 411, Energy Conservation Act of 1976.....	1005
Rent supplements—Title I, Housing and Urban Development Act of 1965.....	485
Rental Assistance Under Sec. 8, United States Housing Act of 1937.....	402
Self-help housing:	
Interest reduction payments—mortgage insurance—Sec. 235(i), National Housing Act.....	281
Public housing—Sec. 203, Housing and Community Development Act of 1974.....	411
Urban homesteading—Sec. 810, Housing and Community Development Act of 1974.....	491
Solar heating and cooling systems—cost limits can be increased by—Sec. 13, Solar Heating and Cooling Demonstration Act of 1974.....	518
Rental Assistance Under Sec. 8, United States Housing Act of 1937.....	402
State-aided housing:	
Assistance payments—rental housing—Sec. 8, U.S. Housing Act of 1937; Sec. 236(f), National Housing Act.....	286, 402
HUD mortgage insurance for rental housing where State makes interest reduction payments—Sec. 236(o), National Housing Act.....	292
Interest reduction payments—mortgage insurance—Sec. 235(a), National Housing Act.....	276
Urban homesteading—Sec. 810, Housing and Community Development Act of 1974.....	491
Urban renewal:	
Property for—Sec. 107, Housing Act of 1949.....	1120
Required—Sec. 105, Housing Act of 1949.....	1114
Utilities and operations:	
Assistance payments for rental housing assisted by interest reduction payments and FHA mortgage insurance—Sec. 236(f), National Housing Act.....	286
HUD insured loan to cover first 2 years—rental housing—Sec. 223(d), National Housing Act.....	256
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978.....	562
Variable loan or mortgage amortization terms—experimental insurance program—Sec. 245, National Housing Act.....	307
Weatherization assistance—Sec. 411, Energy Conservation Act of 1976.....	1005
Housing for middle income families: <i>See also:</i> Housing mortgage and loan insurance; Housing for lower income families: Rural housing; Veterans housing	
Abandoned structures and housing available for under demonstration program—Sec. 505, Housing and Urban Development Act of 1970.....	505
Appalachian Region—preliminary expenses for planning and financing—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
Counseling assistance—Sec. 106, Housing and Urban Development Act of 1968.....	537
Elderly or handicapped housing—Federal loans—projects to serve both low and moderate incomes—Sec. 210(g) (2), Housing and Community Development Act of 1974.....	467
Interest subsidy payments to FNMA or the FHLMC on insured home mortgages for middle income families—Sec. 243, National Housing Act.....	302

INDEX

Housing for middle income families—Continued

Land development—housing for to be encouraged by HUD—Sec. 1005, National Housing Act.....	Page 370
Preliminary expenses for planning and obtaining financing:	
Appalachian Region—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965.....	1327
Loans for—Sec. 106(b), Housing and Urban Development Act of 1968.....	538
Solar heating and cooling systems—cost limits can be increased by—Sec. 13, Solar Heating and Cooling Demonstration Act of 1974.....	518
Urban renewal:	
Property for—Sec. 107, Housing Act of 1949.....	1120
Required—Sec. 105, Housing Act of 1949.....	1114
Variable loan or mortgage amortization terms—experimental insurance program—Sec. 245, National Housing Act.....	307
Housing goal: <i>See</i> : National housing goal and policy	
Housing mortgage and loan insurance: HUD: <i>see also</i> : Rural housing; Veterans housing: Emergency Housing Act of 1975	
Abandoned structures or housing—available for housing for lower or middle income families under demonstration program—Sec. 505, Housing and Urban Development Act of 1970.....	505
Acceptable risk—property requirement for mortgage insurance:	
Alaska, Guam or Hawaii—Sec. 214, National Housing Act.....	221
Civilian employees of military—Secs. 809(b), 809(c), National Housing Act.....	352
Home improvement loans—Sec. 203(k), National Housing Act.....	190
Older declining urban areas—Sec. 203(k), National Housing Act.....	190
Seasonal homes—Sec. 203(m), National Housing Act.....	192
Suburban and outlying areas—Sec. 8(b), 203(i), National Housing Act.....	181, 189
Technically suitable materials—Sec. 521, National Housing Act.....	317
Veterans housing—Sec. 603(c), National Housing Act.....	323
War housing—Sec. 603(c), National Housing Act.....	323
Acquired properties—Insurance of mortgage financing sale of—Sec. 223(c), 608(g), 803(i), National Housing Act.....	256, 330, 350
Advances of mortgage proceeds—insurance of—Sec. 525, National Housing Act.....	319
Alaska:	
Alaska Housing Authority eligible for mortgage insurance—Sec. 214, National Housing Act.....	221
Higher mortgage amounts—Sec. 214, National Housing Act.....	221
Alteration and repair loans—Sec. 2, National Housing Act.....	174
Appraisals available to buyers—Sec. 226, National Housing Act.....	260
Appraised value—limit on mortgage amount—221(d)(3)(iii), Sec. 610, National Housing Act.....	237, 334
Armed services housing: <i>See</i> : Servicemen—under this heading	
Assistance payments:	
Additional assistance payments—rental housing under interest reduction payment program for lower income tenants—utilities and taxes—Sec. 236(f), National Housing Act.....	286
Rental housing—Sec. 8, United States Housing Act of 1937.....	402
Atomic Energy Commission—housing for employees of their research or development installations:	
Homes—Sec. 809(g), National Housing Act.....	353
Rental housing—Sec. 810, National Housing Act.....	354
Sale of housing—Sec. 223, National Housing Act.....	254
Audits—multifamily housing—Sec. 814, Housing Act of 1954.....	142
Authorizations—dollar limits:	
Coinsurance—Sec. 244(d), National Housing Act.....	305
Homeownership with counseling—Sec. 237(f), National Housing Act.....	293
Interest reduction payments:	
Homes—Sec. 235(h), National Housing Act.....	279
Rental housing—Sec. 236(i), National Housing Act.....	288
Interest subsidy payments—Sec. 243(h), National Housing Act.....	303
Open-end mortgages not to be included in determining outstanding amounts of mortgages—Sec. 225, National Housing Act.....	259
Purchase, rehabilitation and resale—homes—Sec. 221(h), National Housing Act.....	245

INDEX

Housing mortgage and loan insurance—Continued

Page

Authorizations—dollar limits—Continued

Servicemen—Title VIII, National Housing Act.....	345
Suburban and outlying areas—Sec. 8(a), National Housing Act..	181

Authorizations—expiration dates:

Atomic Energy, NASA, servicemen and civilian employees of military—Sec. 810(k), National Housing Act.....	357
Below-market interest rate—Sec. 221(f), National Housing Act..	241
Civilian employees of military—Sec. 803, 809(f), National Housing Act.....	346, 352

Coinurance—Sec. 244(d), National Housing Act.....	305
---	-----

General mortgage insurance—Sec. 217, National Housing Act.....	222
--	-----

Government-owned housing—Sec. 612, National Housing Act.....	337
--	-----

Improvements loans, mobile homes and lots for, disaster loans, fire safety equipment, preservation of historic structures, energy, conserving improvements, solar energy system—Sec. 2(a), National Housing Act.....	174
--	-----

Interest reduction payments:

Homes—Sec. 235(h), 235(m)), National Housing Act.....	279, 284
---	----------

Multifamily housing—Secs. 236(i), 236(n), National Housing Act.....	288, 291
---	----------

Interest subsidy payments—Sec. 243(h), National Housing Act..	303
---	-----

Low and moderate income and displaced families—Sec. 221(f), National Housing Act.....	241
---	-----

Manufactured housing—Sec. 612, National Housing Act.....	337
--	-----

Servicemen's housing—Sec. 803, 809(f), National Housing Act..	346, 351
---	----------

Site fabricated housing—Sec. 612, National Housing Act.....	337
---	-----

Veterans' housing—Secs. 603, 612, National Housing Act.....	320, 337
---	----------

War housing—Secs. 603, 612, National Housing Act.....	320, 337
---	----------

Authorization—number of units limit—Sec. 810(i), National Housing Act.....	356
--	-----

Below market interest rate mortgages—for lower income families:

Condominiums and cooperatives—Secs. 221(i) and 221(j), National Housing Act.....	249, 250
--	----------

Housing for lower income families—Secs. 221(d) (3) and 223(b), National Housing Act.....	236, 256
--	----------

Purchase and rehabilitation and sale to lower income families—Sec. 221(h), National Housing Act.....	245
--	-----

Supplemental loans—Secs. 223(d), 241, National Housing Act..	256, 297
--	----------

Boulder Canyon housing: Mortgage insurance for sale of—Sec. 223, National Housing Act.....	254
--	-----

Builders cost certification—Sec. 227, National Housing Act.....	260
---	-----

Builders warranty—Sec. 801, Housing Act of 1954.....	386
--	-----

Cash payment of insurance benefits—optional—Sec. 520, National Housing Act.....	317
---	-----

Civilian employees of military—home mortgage insurance—Sec. 809, National Housing Act.....	351
--	-----

Code enforcement areas—Sec. 220, National Housing Act.....	221
--	-----

Coinurance—demonstration program—Sec. 244, National Housing Act.....	304
--	-----

Commitments to insure loans:

Authority—Sec. 215, National Housing Act.....	222
---	-----

Changes in—Sec. 515, National Housing Act.....	222
--	-----

Community facilities requirement—Sec. 522, National Housing Act..	318
---	-----

Community Reinvestment Act of 1977.....	1083
---	------

Condominiums:

Below market interest mortgages—Secs. 221(h) and 221(i), National Housing Act.....	245, 249
--	----------

Interest reduction payments for lower income families—Sec. 235, National Housing Act.....	276
---	-----

Interest subsidy payments and mortgage insurance for middle income housing—Sec. 243, National Housing Act.....	302
--	-----

Mortgage insurance—purchase by nonprofit or public body and rehabilitation of housing for resale to lower income homeowners—Sec. 235(j), National Housing Act.....	282
--	-----

Servicemen—Sec. 222(f), National Housing Act.....	253
---	-----

Supplemental loan insurance—Sec. 241, National Housing Act.....	297
---	-----

Coinurance with mortgages—Sec. 244, National Housing Act.....	304
---	-----

INDEX

Housing mortgage and loan insurance—Continued	Page
Construction or rehabilitation of housing for housing assistance payments—eligible for HUD mortgage insurance—Sec. 8(e) (3), U.S. Housing Act of 1937.....	406
Cooperative housing:	
Below market interest rate mortgages—Sec. 221(j), National Housing Act.....	250
Builder's cost certification—Sec. 227, National Housing Act.....	260
Interest reduction payments for lower income families—Secs. 235, 236, National Housing Act.....	276, 285
Interest subsidy payments and mortgage insurance—middle income housing—Sec. 243, National Housing Act.....	302
Mortgage insurance—Secs. 213, 221(d), National Housing Act....	213, 234
Multifamily project acquired by HUD under default can be sold to nonprofit cooperative—Sec. 246, National Housing Act.....	308
Supplementary loans—Secs. 213(j) and 241, National Housing Act	217, 297
Technical and organizational assistance—Sec. 213(f), National Housing Act.....	216
Units in a cooperative—Sec. 203(n), National Housing Act.....	192
Coordination—Circular A-95, Office of Management and Budget.....	911
Correction of defects in mortgaged homes—Sec. 518, National Housing Act	313
Cost certification:	
Not required for servicemen's housing, except multifamily—Sec. 808, National Housing Act.....	351
Required—Sec. 227, National Housing Act.....	260
Cost of completed physical improvements—limit on mortgage amount—Secs. 608(b) (3), 908(b) (2), National Housing Act.....	329, 365
Coulee Dam housing—mortgage insurance for sale of—Sec. 223, National Housing Act.....	254
Counseling assistance:	
Credit counseling—Sec. 712, Economic Opportunity Act of 1964..	1312
Home purchase—Sec. 237, National Housing Act.....	292
Low income families:	
Sec. 237, National Housing Act.....	292
Sec. 106, Housing and Urban Development Act of 1968.....	537
Sec. 3, U.S. Housing Act of 1937.....	391
Rural housing—7 U.S.C. 1987.....	1299
Sponsors—Sec. 106, Housing and Urban Development Act of 1968..	503
Critical defense housing areas—Sec. 903, National Housing Act.....	358
Debentures—for payment of FHA insurance: See: Secs. 8(g), 204, 206, 207, 213(n), 220(f), 220(h), 221(g), 238, 519, 520, 604, 608, 609(i)	
(4), 708, 803, National Housing Act.....	184, 346
Cash payment of insurance benefits—Sec. 520, National Housing Act	317
Interest rates—Sec. 224 and 604(d), National Housing Act....	258, 323
Purchase of by Secretary of HUD—Sec. 519, National Housing Act	315
Defaults:	
Acquisition of mortgage to avoid foreclosure—Secs. 207(k), 230, 233(f), National Housing Act.....	209, 263, 271
Extensions of time for curing—Secs. 204, 239, National Housing Act	194, 296
HUD payment of insurance—Secs. 2, 8(c), 204, 207, 233(f), National Housing Act.....	174, 183, 194, 202, 271
Modification of multifamily housing mortgages—Sec. 239, National Housing Act.....	296
Multifamily project acquired under can be sold to nonprofit cooperative—Sec. 246, National Housing Act.....	308
Relief to mortgagors—Sec. 107, Housing and Urban Development Act of 1965.....	387
Defects in 1-4 family homes—Sec. 518, National Housing Act.....	313
Defense housing:	
1 to 2 family—Sec. 203, National Housing Act.....	185
Multifamily housing—Sec. 908, National Housing Act.....	365
Demonstration program or coinsurance—Sec. 244, National Housing Act	304

INDEX

Housing mortgage and loan insurance—Continued	Page
Disaster assistance:	
Displacees eligible for Sec. 221 housing—Sec. 221(f), National Housing Act.....	241
Home replacement—mortgage insurance—Sec. 203(h), National Housing Act.....	189
Repair loans—Sec. 2, National Housing Act.....	174
Disclosure—Home Mortgage Disclosure Act of 1975.....	844
Disclosure—Enforcement of Home Mortgage Disclosure Act of 1975.....	845
Discrimination prohibited:	
Children—Secs. 207(b), 603, National Housing Act.....	204, 320
Single persons—Sec. 213(g), National Housing Act.....	216
Sex—Sec. 527, National Housing Act.....	319
Displaced families:	
Eligible for occupancy of below-market interest rate housing—Sec. 221(f), National Housing Act.....	241
Mortgage insurance—Sec. 221(f), National Housing Act.....	241
Self-help housing—Sec. 235(i), National Housing Act.....	281
Economic soundness—property requirement for mortgage insurance:	
Homes—Sec. 203(c), National Housing Act.....	187
Technically suitable materials meet requirements—Sec. 521, National Housing Act.....	317
Economic soundness—not required for:	
AEC housing for employees of research or development installations—Sec. 810(c), National Housing Act.....	354
Civilian employees of military—housing for—Secs. 809(c), 810(e), National Housing Act.....	352, 355
NASA housing for employees of research or development installations—Sec. 810(c), National Housing Act.....	354
Servicemen's multifamily housing—Sec. 810(c), National Housing Act.....	354
Educational facilities:	
Below market interest rate housing—facilities may be included—Sec. 221(f), National Housing Act.....	241
Interest reduction payments—facilities may be included—Sec. 236(j), National Housing Act.....	289
Elderly or handicapped:	
Additional assistance payments for lower income housing—Secs. 236(f), 236(i), National Housing Act.....	286, 288
Below market interest rate housing—eligible for—Sec. 221(f), National Housing Act.....	241
Dining, health and other facilities can be included in multifamily projects—Sec. 236(j), National Housing Act.....	289
Interest reduction payments—multifamily housing—Sec. 236, National Housing Act.....	285
Rental housing—mortgage insurance program for—Sec. 231, National Housing Act.....	264
Weatherization Assistance—Sec. 411, Energy Conservation Act of 1976.....	1005
Energy conservation:	
Energy conserving improvements—insured loans—Sec. 2, National Housing Act.....	174
In Existing Buildings—Title IV, Energy Conservation and Production Act.....	1004
Minimum property standards to encourage—Sec. 526, National Housing Act.....	319
Solar energy systems—installation—insured loans for—Sec. 2, National Housing Act.....	174
Standards for new Buildings—Title III, Energy Conservation and Production Act.....	998
Weatherization Assistance—Sec. 411, Energy Conservation Act of 1976.....	1005
Equity skimming—Sec. 912, Housing and Urban Development Act of 1970.....	387
Experimental housing—insured mortgages—Sec. 233, National Housing Act.....	270

INDEX

Housing mortgage and loan insurance—Continued

Farm homes:

Interest reduction payments—Sec. 235(k), National Housing Act Page 284

Mortgage insurance—Sec. 203(i) and 603(b), National Housing Act 189, 320

Federally-owned housing—mortgage insurance for sale of—Sec. 223, National Housing Act 254

Fire safety equipment—loan insurance—Sec. 2, National Housing Act 174

Flood insurance requirement—Flood Disaster Protection Act of 1973.. 1245

Foreclosures:

Acquisition of mortgage to avoid—Secs. 204, 207(k), 230, National Housing Act 194, 209, 263

Assignment in lieu of—Sec. 523, National Housing Act 318

Costs included in FHA debentures—Secs. 204, 207, National Housing Act 194, 202

Postponement of—veterans housing—Sec. 604(a), National Housing Act 323

Temporary suspension of mortgage obligation to avoid—Sec. 107, Housing and Urban Development Act of 1965 387

Greenbelt towns—mortgage insurance for sale of housing—Sec. 223, 610, National Housing Act 254, 334

Guarantee of General Insurance Fund by Secretary of Defense against loss on servicemen's housing—Sec. 803(b)(2), National Housing Act 346

Guam:

Government or agency of eligible for mortgage insurance—Sec. 214, National Housing Act 221

Higher mortgage amounts—Secs. 207, 214, National Housing Act 202, 221

Hardship cases—preferences to—Secs. 603(c), 608(b), 611, National Housing Act 323, 328, 335

Hawaii:

Government or agency of eligible for mortgage insurance—Sec. 214, National Housing Act 221

Higher mortgage amounts—Sec. 214, National Housing Act 221

Homes—1 to 4 family—mortgage insurance programs—Secs. 8, 203, 220, 221, 222, 223, 235, 809, 809(g), 903, National Housing Act... 181-358

Home Mortgage Disclosure, excerpts from Public Law 94-200..... 844

Home Mortgage Disclosure in Relation to State Law, Sec. 306 of Home Mortgage Disclosure Act of 1975..... 846

Home Mortgage Disclosure Act of 1975, termination of authority.... 844

Improvement or rehabilitation of housing:

Assistance payments for lower income families and mortgage insurance—

Sec. 8(e), U.S. Housing Act of 1937..... 405

Sec. 236(f), National Housing Act 286

Below market interest rate mortgages for lower income families—

Sec. 221, National Housing Act 234

Interest reduction payments and mortgage insurance for lower income families—Sec. 235 and 236, National Housing Act 276, 285

Improvement loans for homes—Secs. 2 and 203(k), National Housing Act 174, 190

Open-end mortgages—Sec. 225, National Housing Act 259

Purchase and rehabilitation and sale to lower income families—Sec. 221(h), National Housing Act 245

Purchase and rehabilitation of housing in older declining areas for lower income families—Sec. 223(e), National Housing Act 257

Supplemental loans—insurance—Sec. 241, National Housing Act... 298

Urban renewal and code enforcement areas—Sec. 220(h), National Housing Act 229

Urban renewal areas—rehabilitation standards in—Sec. 524, National Housing Act 318

Insurance benefits: See: Insurance payments under this heading, infra.

Insurance funds:

Cooperative Management Housing Insurance Fund—Secs. 213(k), 223(d), 241(e), National Housing Act 218, 256, 298

INDEX

Housing mortgage and loan insurance—Continued

Insurance funds—Continued

General Insurance Fund—Secs. 8(g), 203(k), 207, 220(f), 220(h), 221(g), 222(e), 234, 242, 519, 604, 608, 803, 809, 810, 904 National Housing Act.....	Page 181-361
Guaranty by Secretary of Defense against loss—Secs. 803(b), 809, National Housing Act.....	346, 351
Guaranty by Chairman of Atomic Energy Commission against loss—Sec. 809(g), National Housing Act.....	353
Guaranty by Administrator of NASA against loss—Sec. 809(g), National Housing Act.....	353
Indebtedness to the United States—payments to Secretary of the Treasury—Sec. 516, National Housing Act.....	312
Mutual Mortgage Insurance Fund—Secs. 202, 204, 205, 514, National Housing Act.....	189-312
Special Risk Insurance Fund—Secs. 223, 238, 241, National Housing Act.....	254, 294, 297
Insurance payments: <i>See also</i> : Debentures, <i>supra</i>	
Assignment in lieu of foreclosure—Sec. 523, National Housing Act.....	318
Optional cash payment—Sec. 520, National Housing Act.....	317
Procedures prescribed for each HUD loan insurance program in the sections of the National Housing Act authorizing the programs.	
Interest rate limits:	
Debentures—Sec. 224, National Housing Act.....	258
Maximum on HUD and VA mortgages—rates necessary to meet the mortgage market—Sec. 3, Public Law 90-301.....	379
Mortgages eligible for purchase in secondary market—Sec. 3, Emergency Home Purchase Assistance Act of 1974.....	682
Veterans Housing Amendments of 1976.....	382
Interest reduction payments—for lower income families:	
Additional assistance payments—Sec. 236(f), National Housing Act.....	286
Cooperative members—Sec. 235, National Housing Act.....	276
Lower income home purchasers—Sec. 235, National Housing Act.....	276
Management supervised by State or local agencies—Sec. 236(p), National Housing Act.....	292
Refinancing or purchase of existing rental housing—Sec. 223(f), National Housing Act.....	258
Rental housing for lower income families—Secs. 223(f), 236, National Housing Act.....	258, 285
State-aided housing—Sec. 235, National Housing Act.....	276
Interest subsidy payments for middle-income homeowners—Sec. 243, National Housing Act.....	302
Investor-sponsor:	
Below market interest rate housing—Sec. 221(d) (3), National Housing Act.....	336
Cooperatives—Secs. 213, 221(d) (3), National Housing Act.....	213, 236
Elderly or Handicapped housing—Sec. 231, National Housing Act.....	264
Labor standards:	
Defense housing—Sec. 903(c), National Housing Act.....	360
Mortgage insurance—general—Sec. 212, National Housing Act.....	211
Servicemen's rental housing—Sec. 803(k), National Housing Act.....	351
Leaseholds—purchase of fee simple title from lessors—Sec. 240, National Housing Act.....	296
Limited dividend mortgages eligible for mortgage insurance:	
Below market interest rate mortgages—Sec. 221(d) (3), National Housing Act.....	236
Interest reduction payments—Sec. 236, National Housing Act.....	285
Other programs—Secs. 207, 220(d), 221(d) (3); National Housing Act.....	202, 223, 236

INDEX

Housing mortgage and loan insurance—Continued

Local public agencies or bodies eligible for mortgage insurance:	Page
Programs—Secs. 207, 220, 221, National Housing Act----	202, 223, 234
Sale of locally owned housing—Sec. 223, 610, National Housing Act -----	254, 334
Manufacture of Housing—insurance of loans financing—Sec. 609, National Housing Act-----	311
Manufactured homes—loans to purchasers—Sec. 609(i), National Housing Act-----	333
Military housing: <i>See</i> : Servicemen, <i>infra</i> —under this heading	
Mobile homes:	
Courts or parks—Sec. 207, National Housing Act-----	202
Higher mortgage amounts in Alaska, Guam, or Hawaii—Sec. 214, National Housing Act-----	221
Purchase of—Sec. 2, National Housing Act and P.L. 94-173, 174, 1149	
Moratoriums to avoid foreclosures—Sec. 107, Housing and Urban Development Act of 1965-----	387
Multifamily housing: <i>See</i> : Rental housing, <i>infra</i> .	
National Aeronautics and Space Administration—housing for employees of their research or development installations:	
Homes—Secs. 809(g), 810, National Housing Act-----	353, 354
Rental housing—Sec. 810, National Housing Act-----	354
Necessary current cost—limit on mortgage amount:	
Manufacture of housing—Sec. 609(b)(4), National Housing Act--	322
Veterans' housing—Sec. 603(b), National Housing Act-----	321
Neighborhood conservation housing insurance—Sec. 220, National Housing Act-----	223
Nondiscrimination: <i>See</i> : Discrimination prohibited, <i>supra</i> .	
Nonprofit housing:	
Below-market interest rate insured mortgages—Sec. 221(d)(3), National Housing Act-----	236
Purchase and rehabilitation and resale to lower income families—Sec. 221(h), National Housing Act-----	245
Condominiums—below market interest rate insured mortgages—Sec. 221(i), National Housing Act-----	249
Cooperatives:	
Below market interest rate insured mortgages—Sec. 221(j), National Housing Act-----	250
Mortgage insurance—Sec. 213, National Housing Act-----	213
Elderly or handicapped housing—Sec. 231, National Housing Act--	264
Interest reduction payments and mortgage insurance—Secs. 235 and 236, National Housing Act-----	276, 285
Purchase and rehabilitation and resale to lower income home purchasers—Sec. 235 (j), National Housing Act-----	282
Public housing—mortgages for purchase of—Sec. 223, National Housing Act-----	254
Public housing agencies—insurance of mortgages financing purchase from them of P.L. 671 war housing—Sec. 610, National Housing Act-----	334
Public Disclosure of number and dollar amounts of mortgage loans purchased by depository institutions, Sec. 304 of Home Mortgage Disclosure Act of 1975-----	844
Reasonably satisfactory credit risk—Secs. 235(b) and 237, National Housing Act-----	277, 292
Refinancing—insurance of mortgages for—Sec. 223, National Housing Act-----	254
Rehabilitation: <i>See</i> : Improvement or rehabilitation, <i>supra</i> .	
Rental housing—Secs. 207, 220, 221, 223, 236, 239, 241, 608, 810, 908, National Housing Act-----	202-365
Assistance payments—Sec. 8(e)(3), United States Housing Act of 1937 and Sec. 236(f), National Housing Act-----	406, 258
Nonself-contained units—Sec. 223(f), National Housing Act----	258

INDEX

Housing mortgage and loan insurance—Continued

Rental housing—Continued

Operating expenses:	Page
Loans—insured—Sec. 223(d), National Housing Act.....	256
Assistance payments—Sec. 236(f), National Housing Act....	286
Operating Assistance for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978.....	562
Refinancing of existing under any HUD mortgage insurance pro- gram—Sec. 223(f), National Housing Act.....	258
Supplemental loans—Sec. 241, National Housing Act.....	297
Units which are not self-contained—Sec. 223(g), National Hous- ing Act.....	258
Yield insurance—Title VII, National Housing Act.....	337
Older declining urban areas:	
Group practice facilities—Sec. 223(e), National Housing Act.....	257
Housing—Sec. 223(e), National Housing Act.....	257
Open-end mortgages—Sec. 225, National Housing Act.....	259
Operating and utility expenses—rental housing:	
Additional assistance payments for housing for lower income families—Sec. 236(f), National Housing Act.....	286
Insured mortgages to cover first 2 years—Sec. 223(d), National Housing Act.....	256
Outlying areas—homes for low and moderate income families—Secs. 8 and 203(i), National Housing Act.....	181, 189
Penalties for violations of National Housing Act loan insurance provi- sions—Sec. 512, National Housing Act.....	309
Predominately residential requirements—Secs. 220(d), 221(f), 236(j) National Housing Act.....	223, 258, 289
Premium charges—waiver or reduction—Sec. 221(f), National Housing Act.....	258
Prepayment of insured mortgages—Sec. 517, National Housing Act.....	313
Public bodies or agencies:	
Elderly or handicapped housing—Sec. 231, National Housing Act...	264
Purchase and rehabilitation and resale to lower income home pur- chasers—Sec. 235(j), National Housing Act.....	282
Rental housing:	
General programs—Secs. 207, 220, 221(d) (3), National Hous- ing Act.....	202, 223, 236
Interest reduction payments and mortgage insurance for rental housing for lower income families—Sec. 236, National Hous- ing Act.....	285
Sale of war housing—Sec. 223(a), National Housing Act.....	254
Replacement cost—limit on mortgage amount—Secs. 207(c), 213(b), 213(i), 220(d), 221(d) (3), 221(d) (4), 226, 231, 233(b), 234(d), 608(b) (3), 803(b) (3), National Housing Act.....	204-347
Resales of HUD-financed housing—mortgage provisions—Sec. 508, Housing Act of 1950.....	386
Right of redemption in case of subordinate liens—Sec. 505, Housing Act of 1950.....	386
Rural housing:	
Additional assistance payments—Sec. 236(f), National Housing Act.....	286
Farm homes:	
Mortgage insurance—Secs. 203(i), 603(b), National Housing Act.....	189, 321
Interest reduction payments and mortgage insurance—Sec. 235(k) National Housing Act.....	284
Interest reduction payments and mortgage insurance for—Secs. 235(k) and 236(l), National Housing Act.....	284, 291
Sales of housing by Federal, State or local governments—mortgage insurance—Sec. 223, National Housing Act.....	254
Seasonal homes—Sec. 203(m), National Housing Act.....	192
Self-help housing—Sec. 235(i), National Housing Act.....	281
Servicemen:	
Home mortgage insurance—Secs. 222, 809 National Housing Act.....	251, 351
Rental housing—Sec. 810, National Housing Act.....	354

INDEX

Housing mortgage and loan insurance—Continued

Servicemen—Continued

Rent supplements—Secs. 101(c), 101(e), Housing and Urban Development Act of 1965-----	Page 486, 487
Waiver of HUD occupancy requirement—Sec. 216, National Housing Act-----	222
Sewer and water requirement—Sec. 522, National Housing Act-----	318
Site fabricated housing—modernized site construction:	
Loans to finance projects—Sec. 611, National Housing Act-----	335
Loans to finance purchase of individual homes—Sec. 611, National Housing Act-----	335
Slum clearance and urban redevelopment areas—Sec. 220, National Housing Act-----	223
Slum or blighted areas—Sec. 207(c)(2), National Housing Act-----	204
Supplemental loans:	
Condominiums—Sec. 241, National Housing Act-----	297
Cooperatives—Sec. 213(j), 241, National Housing Act-----	217, 297
Group practice facilities—Sec. 241, National Housing Act-----	297
Hospitals—Sec. 241, National Housing Act-----	297
Multifamily projects—Sec. 241, National Housing Act-----	297
Nursing homes—Sec. 241, National Housing Act-----	297
Solar energy systems—Sec. 2, National Housing Act-----	174
Solar heating and cooling—limits on loan amounts increased where required by—Sec. 13, Solar Heating and Cooling Demonstration Act of 1974-----	518
State-aided housing—Interest reduction payments and mortgage insurance and additional assistance payments available for—Sec. 236, National Housing Act-----	285
State or local public bodies:	
Eligible for insured mortgages—Secs. 207, 220, 221, 235, 236, National Housing Act-----	202-285
Sale of veterans housing provided by—insured mortgages—Sec. 610, National Housing Act-----	334
State-owned housing—insured mortgages for sale of—Secs. 223, 610, National Housing Act-----	254, 334
Suburban and outlying areas—Sec. 8, National Housing Act-----	181
Tennessee Valley Housing Authority housing—mortgage insurance for sale of—Secs. 223, 610 National Housing Act-----	254, 334
Termination of insurance—voluntary—Sec. 229, National Housing Act-----	263
Urban renewal areas:	
Housing mortgage insurance—Sec. 220, National Housing Act---	223
Rehabilitation standards—Sec. 524, National Housing Act-----	318
Utility and operating expenses:	
Assistance payments for multifamily housing for lower income families—Sec. 236(f), National Housing Act-----	286
Insured loan to cover first 2 years—Sec. 223(d), National Housing Act-----	256
Value of completed project—modern processes—limit on insured mortgage amount—Sec. 611, National Housing Act-----	335
Variable loan or mortgage amortization terms—experimental insurance program—Sec. 245, National Housing Act-----	307
Veterans:	
Basic entitlement to direct, guaranteed or insured loan—Title 38 U.S.C. § 1802-----	751
Defaults in home loans insured or guaranteed by HUD or VA—relief—Sec. 107, Housing and Urban Development Act of 1965-----	387
Homes:	
Interest subsidy payments for housing for middle-income veterans—Sec. 243, National Housing Act-----	302
Mortgage insurance for purchase—Secs. 203, 220, 603, National Housing Act-----	185, 223, 320

INDEX

Housing mortgage and loan insurance—Continued

Veterans—Continued	
Homes—Continued	
Mortgage insurance for sale of housing built for by public bodies—Sec. 223, 610 National Housing Act.....	Page 254, 334
Rental housing—mortgage insurance—Sec. 608, National Housing Act	328
World War II—	
Mortgage insurance for sale by State or local agencies of housing constructed for—Secs. 223, 610 National Housing Act	254, 334
Preference in occupancy of site fabricated housing—Sec. 611, National Housing Act.....	335
Time limit on mortgage insurance authority—Sec. 603, National Housing Act.....	320
War housing:	
Mortgage insurance for—homes and rental housing—Title VI, National Housing Act.....	320
Sale of—mortgage insurance—Sec. 223(a), National Housing Act	254
Sale of government-owned—insured mortgages—Sec. 610, National Housing Act	334
Warranty—builder's—Sec. 801, Housing Act of 1954.....	386
Water and sewer requirements—Sec. 522, National Housing Act.....	318
Yield insurance—rental housing—Title VII, National Housing Act..	337
Housing mortgage and loan insurance—private:	
Housing loans and mortgages—purchase by FNMA of mortgages so insured—Sec. 313(b), National Housing Act; Sec. 3, Emergency Home Purchase Assistance Act of 1974.....	672, 682
Housing loans and mortgages—private insurance required on unpaid balances of mortgages purchased by FHLMC—Sec. 305(a)(2), Federal Home Loan Mortgage Corporation Act.....	690
Improvement loans: <i>See:</i> Elderly or handicapped; Federal savings and loan associations; Housing mortgage and loan insurance; Housing for lower income families; Rehabilitation; Rural housing	
Independent Offices Appropriation Act, 1952—Public housing restriction..	446
Independent Offices Appropriation Act, 1953—Public housing restriction..	447
Independent Offices Appropriation Act, 1966—Urban renewal.....	1147
Independent Offices Appropriation Act, 1967:	
Participation sales.....	695
Urban renewal.....	1148
Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968:	
Participation sales.....	696
Urban renewal.....	1148
Independent Offices and Department of Housing and Urban Development Appropriation Act, 1969: Urban renewal.....	1149
Indians: <i>See also:</i> Public housing	
Code enforcement grants—Sec. 117, Housing Act of 1949.....	1142
Community development—Title I, Housing and Community Development Act of 1974.....	1047
Community facilities:	
Planning advances—Sec. 702, Housing Act of 1954.....	1151
Grants—Title VII, Housing and Urban Development Act of 1965—	1161
Comprehensive planning—grants—Sec. 701, Housing Act of 1954....	977
Demolition grants—Sec. 116, Housing Act of 1949.....	1141
National Council on Indian Opportunity—Executive Order 11399..	1503
Special Assistant for Indian and Alaska Native Programs, Sec. 4(d)(1) of Department of Housing and Urban Development Act..	11
Urban renewal—workable program requirement different—Sec. 101(c), Housing Act of 1949.....	1104
Water and waste facilities—rural—loans, loan insurance, grants—7 U.S.C. 1926.....	1278
Industrial facilities:	
Development programs—Sec. 712, Economic Opportunity Act of 1964..	1312

INDEX

Industrial facilities—Continued	
Sale of surplus Federal land for housing for lower income families and related community and industrial facilities—Sec. 414, Housing and Urban Development Act of 1969	Page 27
Inflation: See: Credit controls	
Inspector General Act of 1978, Public Law 95-452	165
Insurance against foreclosure of home mortgages—plan for—Sec. 103 Housing and Urban Development Act of 1968	545
Insurance of housing loans: See: Housing mortgage and loan insurance; Private mortgage and loan insurance; Rural housing; Veterans housing Insurance funds: See: Crime Insurance; Flood Insurance; Health care facilities; Housing Mortgage and Loan Insurance; Rural housing Interest charges—Federal home loan banks: See: Federal Home Loan Bank Board	
Interest payment deferrals—community facility loans—Sec. 202(b), Housing Amendments of 1955	1156
Interest rates:	
Conflicts between Federal and State laws—Sec. 702, Emergency Home Finance Act of 1970	700
Housing mortgage and loan insurance, HUD and VA—Sec. 3, Public Law 90-301	379
Rural development loans—7 U.S.C. 1927	1281
Small Business Administration: Disaster loans, small business loans, etc.: See: Small Business Act	1349
Interest reduction payments: See: Housing mortgage and loan insurance; Housing for lower income families	
Interest subsidies: See also: Community facilities; Housing mortgage and loan insurance; Housing for middle-income families; Urban renewal Federal Home Loan Mortgage Corporation—FNMA—Interest subsidy payments to for housing for middle-income families—Sec. 243, National Housing Act	302
Replacement housing—interest free loans for preliminary expenses of planning and financing—Sec. 215, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970	1343
Intergovernmental Cooperation Act of 1968	885
Intergovernmental Relations: See also: Interstate compacts Advisory Council on Intergovernmental Relations—Executive Order 11607	1514
Coordination:	
Circular A-95	911
Circular A-97	942
Sec. 307, Coastal Zone Management Act of 1972	957
Intergovernmental Cooperation Act of 1968	885
Office of—established—E.O. 11455	895
Technical services—Federal to State and local—Circular A-97	942
Water quality control—Federal Water Pollution Control Act Amendments of 1972	991
International housing and urban development:	
Cooperatives—Latin America—Sec. 224, Foreign Assistance Act of 1961	560
Credit institutions for housing—Latin America—guarantee of investments in—Sec. 224, Foreign Assistance Act of 1961	560
Exchange and collection of data by Secretary of HUD with other nations—Sec. 604, Housing Act of 1957	557
Housing guaranties:	
Authority—Secs. 221, 222 Foreign Assistance Act of 1961	558
Demonstration projects—Latin America—Sec. 224, Foreign Assistance Act of 1961	560
Expiration date—Sec. 224, Foreign Assistance Act of 1961	560
Latin American countries—housing assistance—Sec. 222, 224 Foreign Assistance Act of 1961	558, 560

INDEX

	Page
Interstate compacts:	
Interstate Land Sales Full Disclosure Act.....	601
Community development—Sec. 115, Housing and Community Development Act of 1974.....	1077
Comprehensive planning—Sec. 701(g), Housing Act of 1954.....	980
Interstate land sales:	
Coordination with State authorities—Sec. 1409, Interstate Land Sales Full Disclosure Act.....	609
Investigations, injunctions, and prosecution of offenses—Sec. 1415, Interstate Land Sales Full Disclosure Act.....	611
Property report required—Sec. 1404, Interstate Land Sales Full Disclosure Act.....	605
Statement of record—Secs. 1405, 1406, 1407, Interstate Land Sales Full Disclosure Act.....	605, 606, 607
Subdivisions:	
Definition—Sec. 1402(3) Interstate Land Sales Full Disclosure Act.....	601
Registration—Secs. 1405, 1406, 1407 Interstate Land Sales Full Disclosure Act.....	605, 606, 607
Joint financing: <i>See also</i> : Administration	
Rural business assistance—7 U.S.C. 1932.....	1287
Joint funding: <i>See</i> : Administration	
Joint Funding Simplification Act of 1974.....	75
Labor standards:	
Community development—Sec. 110, Housing and Community Development Act of 1974.....	1074
Community facilities—grants—Title VII, Housing and Urban Development Act of 1965.....	1161
Construction:	
Construction Industry Stabilization Committee—Executive Order 11588.....	1498
Interagency Committee on Construction—Executive Order 11588.....	1498
Domestic farm labor—low rent housing—Sec. 516, Housing Act of 1949.....	719
Elderly or handicapped housing—Sec. 202(c) Housing Act of 1959.....	463
FHA housing, Secs. 212, 803(k), 903(c) National Housing Act... 211, 351,	360
Land development contractors—Sec. 410, Housing and Urban Development Act of 1968.....	882
Model cities—Sec. 110, Demonstration Cities and Metropolitan Development Act of 1966.....	1172
Open space land—Sec. 707, Housing Act of 1961.....	1177
State housing or development agencies assisted by HUD grants or guaranties—Sec. 802(g), Housing and Community Development Act of 1974.....	573
Urban renewal—Sec. 109, Housing Act of 1949.....	1122
Land development: <i>See also</i> : Community development; Community facilities; Federal savings and loan associations; Urban renewal	
Advance acquisition—grants—Sec. 704, Housing and Urban Development Act of 1965.....	1163
Block grants—Title I, Housing and Community Development Act of 1974.....	1047
Coastal zones—management program—grants—Sec. 305, Coastal Zone Management Act of 1972.....	951
Coastal Zone Management Act Amendments of 1976.....	974
Coordination of—Title IV, Intergovernmental Cooperation Act of 1968.....	889
Environmental standards—Office of Management and Budget—Circular A-95.....	911
Flood insurance requirements—Flood Disaster Protection Act of 1973.....	1245
Inner city areas—Sec. 740, National Urban Policy and New Community Development Act of 1970.....	878

INDEX

Land development—Continued

New communities:

Community facility loans—exception from population limit—Sec. 202, Housing Amendments of 1955-----	Page 1155
Comprehensive planning grants—Sec. 701(n), Housing Act of 1954-----	983
Demonstration projects with Federal land—Sec. 723, National Urban Policy and New Community Development Act of 1970----	875
Discretionary fund—Sec. 107, Housing and Community Development Act of 1974-----	1070
Federal space—planning acquisition—Executive Order 11512----	1515
Grants:	

Energy conservation—Secs. 402(b), 411(a), 413, 414, 415 and 422, Energy Conservation and Production Act-- 1005-1010.	1014
Public services prior to completion—Sec. 715, National Urban Policy and New Community Development Act of 1970----	871

Supplementary grants:

Community facilities—Secs. 412, 415, Housing and Urban Development Act of 1968-----	883, 884
Public facilities—Sec. 718, National Urban Policy and New Community Development Act of 1970-----	872

Guarantee of obligations:

New community developers—Secs. 403, 415, Housing and Urban Development Act of 1968-----	879, 884
Termination of Sec. 403 authority—Sec. 727, National Urban Policy and New Community Development Act of 1970----	876
New community developers and State land development agencies—Secs. 713, 727 National Urban Policy and New Community Development Act of 1970-----	869, 876
Joint funding—Sec. 728, National Urban Policy and New Community Development Act of 1970-----	877
Loans to new community developers and State land development agencies—Sec. 714, National Urban Policy and New Community Development Act of 1970-----	870

Mortgage insurance:

Authority—Sec. 1004, National Housing Act-----	369
Cost certification requirement—Sec. 1013, National Housing Act-----	372
Dollar limit—aggregate amount of mortgages—Sec. 1004(d), National Housing Act-----	370
Housing—encouragement of small builders and housing for moderate or low incomes—Sec. 1005, National Housing Act and Sec. 409, New Communities Act of 1968-----	370, 882
Planning requirements—Sec. 1003, National Housing Act----	368
Sewer and water systems—Sec. 1006, National Housing Act--	370
New Community Development Corporation—Sec. 729, National Urban Policy and New Community Development Act of 1970--	877
Planning assistance—Sec. 720, National Urban Policy and New Community Development Act of 1970-----	874
Planning requirements—Sec. 1003, National Housing Act-----	368
Technical assistance—Sec. 719, National Urban Policy and New Community Development Act of 1970-----	873

Planned areawide development—grants—Title II, Demonstration Cities and Metropolitan Development Act of 1966-----	1025
--	------

Reports—National Urban Policy Report—Biannually—Sec. 703, National Urban Policy and New Community Development Act of 1970--	865
---	-----

Rural land development:

Loans and loan insurance—7 U.S.C. 1923-----	1277
Loans—7 U.S.C. 1923; 7 U.S.C. 1942-----	1277, 1290
Participation loans—7 U.S.C. 1945-----	1292

Land for housing: *See also:* Land development

Federally acquired housing projects:

Disposal—Sec. 12 old U.S. Housing Act of 1937-----	429
--	-----

INDEX

Land for housing—Continued

Federally acquired housing projects—Continued

Urban homesteading—Sec. 810, Housing and Community Development Act of 1974-----Page 491

Mobile homes—Insured loans for lots for—Sec. 2, National Housing Act and P.L. 94-173-----174, 1149

Rural—surplus Federal defense properties—7 U.S.C. 1990-----1301

Surplus Federal land:

Transfer to HUD for use by local public agencies—Sec. 108, Housing Act of 1949; Executive Order 11609-----1121, 155

Transfer to HUD for sale or lease for housing for lower income families or persons—Sec. 414, Housing and Urban Development Act of 1969-----27

Urban lands—disposal of by Federal Government—Sec. 803, Intergovernmental Cooperation Act of 1968-----891

Urban renewal—Sec. 107, 110, Housing Act of 1949-----1120, 1122

Land use: *See also:* Community development; Land development; Urban development

Coastal areas—Control of Sec. 306, Coastal Zone Management Act of 1972-----954

Comprehensive planning requirement—Sec. 701(c), Housing Act of 1954-----979

Circular A-95—Office of Management and Budget-----911

Coordinated intergovernmental policy—Title IV, Intergovernmental Cooperation Act of 1968-----889

Federal Urban Land Use Act—Title VIII, Intergovernmental Cooperation Act of 1968-----891

Flood insurance:

Controls required—Secs. 1305(c), 1315, Housing and Urban Development Act of 1968-----1253, 1261

Coordination with land management—Chapter III, Title XIII, Housing and Urban Development Act of 1968-----1268

Lead-based paint poisoning prevention:

Coordination—consultation with other agencies—Secs. 502, 505 Lead-based Paint Poisoning Prevention Act-----1199, 1200

Demonstrations—Sec. 301, Lead-based Paint Poisoning Prevention Act-----1197

Grants:

Detection and treatment—Secs. 101, 504 Lead-based Paint Poisoning Prevention Act-----1195-1200

Elimination of poisoning—Secs. 201, 504, Lead-Based Paint Poisoning Prevention Act-----1196, 1200

Laboratory facilities—Secs. 201, 504 Lead-based Paint Poisoning Prevention Act-----1196, 1200

Housing—Federally assisted or constructed—Secs. 301, 401 Lead-based Paint Poisoning Prevention Act-----1197, 1198

Research—Sec. 301, Lead-based Paint Poisoning Prevention Act-----1197

Lead-based Paint Poisoning Prevention Act-----1195

Limited profit housing: *See also:* Housing mortgage and loan insurance—limited dividend mortgagors; Emergency Housing Act of 1975

Appalachian Region—preliminary expenses—loans or grants—Sec. 207, Appalachian Regional Development Act of 1965-----1327

Elderly or handicapped housing—Federal loans—Sec. 202, Housing Act of 1959-----461

Preliminary expenses of planning or obtaining financing:

Appalachian Region—loans or grants—Sec. 207, Appalachian Regional Development Act of 1965-----1327

Replacement housing—Sec. 215, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----1343

Rent supplements—Title I, Housing and Urban Development Act of 1965-----485

Local housing assistance plans:

Prerequisite for—

Community development assistance block grants—Sec. 104, Housing and Community Development Act of 1974-----1054

Housing assistance under designated programs—Sec. 213, Housing and Community Development Act of 1974-----21

INDEX

Local housing assistance plans—Continued	
Low and moderate income sponsor fund—Sec. 106(b), Housing and Urban Development Act of 1968.....	Page 538
Lumber: <i>See</i> : National banks—loans on forest tracts	
Manpower Development and Training Act of 1962—Title IV—Seasonal unemployment in the construction industry.....	529
Medical practice facilities: <i>See</i> : Health care facilities	
Metropolitan areas:	
Allocation of community development funds to—Sec. 106, Housing and Community Development Act of 1974.....	1062
Community development—block grants—Title I, Housing and Community Development Act of 1974.....	1047
Comprehensive planning—grants—Sec. 701, Housing Act of 1954.....	977
Metropolitan expeditors—Sec. 203, Demonstration Cities and Metropolitan Development Act of 1966.....	1026
Planned areawide development—grants—Title II, Demonstration Cities and Metropolitan Development Act of 1966.....	1025
Military Construction and Reserve Forces Facilities Authorization Acts 1974—Sec. 515—military housing.....	749
Military Construction and Reserve Forces Facilities Authorization Acts 1975—Sec. 501—military family housing and homeowners assistance program.....	749
Military housing: <i>See also</i> : Housing mortgage and loan insurance, FHA—servicemen	
Accessibility to handicapped—Public Law 90-480.....	147
Acquisition by Secretary of Defense—Sec. 404, Housing Amendments of 1955; Sec. 1013, Demonstration Cities and Metropolitan Development Act of 1966.....	741, 1360
Construction of—Secretary of Defense:	
Secs. 403, 406, Housing Amendments of 1955.....	739, 744
Sec. 501, Military Construction Authorization Act, 1978.....	746
Sec. 501, Military Construction and Reserve Forces Facilities Authorization Acts, 1975.....	749
Sec. 515, Military Construction and Reserve Forces Facilities Authorization Acts, 1974.....	749
Sec. 501, Military Construction Authorization Act, 1976.....	747
Sec. 501, Guard and Reserves Forces Facilities Authorization Act, 1977.....	748
Lease of housing by Secretaries of Army, Navy and Air Force—Sec. 515, Military Construction and Reserve Forces Facilities Authorization Act of 1974.....	749
Mobile homes—construction of by Secretary of Defense—Sec. 501, Military Construction and Reserve Forces Facilities Authorization Acts, 1975.....	749
Preference to low income military in occupancy of HUD mortgage insured rental housing—Sec. 7(m), Department of Housing and Urban Development Act.....	15
Rental of substandard housing to members of military—Executive Order 11609.....	155
Solar heating and cooling—cost limits increased by—Sec. 13, Solar Heating and Cooling Demonstration Act of 1974.....	518
Study—Housing Solar Energy and Weatherization, Sec. 311 of the G.I. Bill Improvement Act of 1977.....	776
Mobile homes:	
Annual report to Congress on construction and safety standards—Sec. 626, National Mobile Home Construction and Safety Standards Act of 1974.....	642
Certification of conformity with construction and safety standards—Sec. 616, National Mobile Home Construction and Safety Standards Act of 1974.....	640
Construction and safety standards—National Mobile Home Construction and Safety Standards Act of 1974.....	627
Construction of by Secretary of Defense for military housing—Sec. 501, Military Construction and Reserve Forces Facilities Authorization Acts, 1975.....	749
Coordination—construction and safety standards—Sec. 609, National Mobile Home Construction and Safety Standards Act of 1974.....	632

INDEX

Mobile homes—Continued	
Disaster relief use of:	Page
Sec. 404, Disaster Relief Act of 1974.....	1437
Sec. 226, Disaster Relief Act of 1970.....	1455
Financial and technical assistance by Secretary of Agriculture in pro- vision of mobile homes for rural trainees—Sec. 522, Housing Act of 1949	727
Flood insurance requirement—Flood Disaster Protection Act of 1973--	1245
Loan and mortgage insurance:	
Courts or parks for—Sec. 207, National Housing Act.....	202
Higher mortgage amounts for courts or parks in Alaska, Guam or Hawaii—Sec. 214, National Housing Act.....	221
Maximum loans amounts for—P.L. 94-173.....	1149
Purchase of—Sec. 2, National Housing Act.....	174, 1149
National Mobile Home Advisory Council—Sec. 605, National Mobile Home Construction and Safety Act of 1974.....	629
Purpose, statement of—Sec. 602, National Mobile Home Construction and Safety Standards Act of 1974.....	627
Research, testing, development, and training—Sec. 608, National Mo- bile Home Construction and Safety Standards Act of 1974.....	631
State enforcement of construction and safety standards—grants by Secretary of HUD to—Secs. 623 and 624, National Mobile Home Construction and Safety Standards Act of 1974.....	641, 642
Veterans—VA loans and guarantee of loans to purchase mobile homes and mobile home lots—38 U.S.C. 1819.....	764
Model cities: <i>See also</i> : Relocation; Urban development	
Busing—Sec. 103, Demonstration Cities and Metropolitan Develop- ment Act of 1966.....	1168
Circular A-95, Office of Management and Budget.....	911
Coastal management grants—Secs. 305, 306 Coastal Zone Management Act of 1972.....	951-954
Comprehensive city demonstration programs—Title I, Demonstration Cities and Metropolitan Development Act of 1966.....	1167
Grants and technical assistance—Title I, Demonstration Cities and Metropolitan Development Act of 1966.....	1167
Termination of grants—Sec. 116, Housing and Community Develop- ment Act of 1974.....	1077
Labor standards—Sec. 110, Demonstration Cities and Metropolitan De- velopment Act of 1966.....	1172
Relocation requirements and payments—Sec. 107, Demonstration Cities and Metropolitan Development Act of 1966.....	1171
Termination of grants and technical assistance—Sec. 116, Housing and Community Development Act of 1974.....	1077
Urban renewal grants—Sec. 103, Housing Act of 1949.....	1110
Modular measure—plans for military housing shall follow the principle of—Sec. 406, Housing Amendments of 1955.....	744
Mortgage Insurance: <i>See</i> : Housing Mortgage & Loan Insurance	
Mudslides: <i>See</i> : Flood insurance	
Mutual mortgage insurance:	
Cooperatives—Sec. 213(k), National Housing Act.....	218
Homes—Secs. 202, 204, 205, 514 National Housing Act.....	184-312
National Advisory Commission on Low Income Housing—Sec. 110, Hous- ing and Urban Development Act of 1968.....	545
National Aeronautics and Space Administration: <i>See</i> : Housing mortgage and loan insurance	
National banks:	
Federal Financing Bank—obligations eligible for purchase by—Sec. 14, Federal Financing Bank Act of 1973.....	836
Federal National Mortgage Association—obligations of—investment in—12 U.S.C. 24.....	785
Forest tracts—loan on—Sec. 24, Federal Reserve Act.....	790
Government National Mortgage Association—obligations of—invest- ment in—12 U.S.C. 24.....	785
Group practice medical facilities—investment in obligations of—12 U.S.C. 24.....	785

INDEX

National banks—Continued	Page
Home improvement loans—Sec. 24, Federal Reserve Act.....	790
Insured real estate loans—12 U.S.C. 371.....	790
Investments in housing, urban development, urban renewal and related obligations—12 U.S.C. 24.....	785
Public housing obligations—investment in—12 U.S.C. 24.....	785
Real estate loans:	
Authority—Sec. 24, Federal Reserve Act; 12 U.S.C. 371.....	790
Limits on:	
Exceptions where loans are insured, guaranteed or backed by Federal or State governments—Sec. 24, Federal Reserve Act.....	790
HUD-insured loans excepted—Sec. 203(j), National Housing Act.....	190
Guaranteed obligations of State housing and development agencies excepted from—Sec. 802(i), Housing and Community Development Act of 1974.....	574
Rural housing or buildings—loans on Sec. 24, Federal Reserve Act.....	790
State housing agencies—obligations of—investments in—12 U.S.C. 24.....	785
National Commission on Fire Prevention and Control—Secretary of HUD a member—Title II, Fire Research and Safety Act of 1968.....	531
National Commission on Federal Disaster Assistance—Executive Order 11526.....	1468
National Commission on Neighborhoods.....	1099
National Environmental Policy Act of 1969.....	1389
National Flood Insurance Act of 1968.....	1245
National Homeownership Foundation: <i>See also</i> : Housing for lower income families; Rural housing	
Audit—Sec. 107(g), Housing and Urban Development Act of 1968....	543
Creation and functions—Sec. 107, Housing and Urban Development Act of 1968.....	539
Grants and loans to organizations promoting homeownership and housing opportunities for lower income families—Sec. 107, Housing and Urban Development Act of 1968.....	539
National Housing Act:	
Title I—Housing Renovation and Modernization.....	173
Title II—Mortgage Insurance.....	184
Secs. 235(c), 235(e)—Counseling.....	278, 279
Title III—National Mortgage Associations (Federal National Mortgage Association Charter Act).....	645
Title IV—Insurance of savings and loan accounts.....	308
Title V—Miscellaneous.....	309
Title VI—War Housing Insurance.....	320
Title VII—Insurance For Investments in Rental Housing for Families of Moderate Income.....	337
Title VIII—Armed Services Housing Mortgage Insurance.....	345
Title IX—National Defense Housing Insurance.....	358
Title X—Mortgage Insurance for Land Development.....	366
Title XI—Mortgage Insurance for Group Practice Facilities.....	372
Title XII—National Insurance Development Program.....	1229
National housing goal and policy:	
Achievement of—community development—Title I, Housing and Community Development Act of 1974.....	1047
Affirmation of—Sec. 2, 1601, 1603, Housing and Urban Development Act of 1968; Sec. 313, National Housing Act.....	3, 672
Declaration of—Sec. 2, Housing Act of 1949; Sec. 2, Department of Housing and Urban Development Act.....	1, 2
FNMA mortgage purchased required to be related to—Sec. 309(h), National Housing Act.....	671
Interest rates—supply of mortgage credit—effect on—Sec. 4, Public Law 90-301.....	380
Reports on—Secs. 1601-1603, Housing and Urban Development Act of 1968.....	3
Rural housing needs and reports of progress toward meeting—Sec. 506(e), Housing Act of 1949.....	709

INDEX

National Housing Partnerships: <i>See also</i> ; Federal savings and loan associations	
Annual report—Sec. 908, Housing and Urban Development Act of 1968	Page 843
Creation of corporations—Sec. 902-904, Housing and Urban Development Act of 1968	839-840
Financing of corporations—Sec. 905, Housing and Urban Development Act of 1968	840
National Housing Partnership—formation by a corporation—Sec. 907, Housing and Urban Development Act of 1968	841
Purposes and powers of the corporations—Sec. 906, Housing and Urban Development Act of 1968	840
National Industrial Pollution Control Council: <i>See</i> : Environment	
National Institute of Building Sciences—Sec. 809, Housing and Community Development Act of 1974	159
National Insurance Development Act of 1975	1227
Neighborhood development programs: <i>See</i> : Relocation; Urban renewal	
Neighborhood facilities: <i>See</i> : Community development	
Neighborhoods, National Commission on	1099
Neighborhood Reinvestment Corporation, Neighborhood Reinvestment Corporation Act, Title II of Housing and Community Development Amendments of 1978	1085
Neighborhood Self-Help Development, Neighborhood Self-Help Development Act of 1978, Title VII, Housing and Community Development Amendments of 1978	1091
New Communities Act of 1968	879
New Communities: <i>See</i> : Land development	
Nondiscrimination: <i>See</i> : Discrimination prohibited	
Nonprofit housing:	
Assistance payments for housing for lower income families—Sec. 236, National Housing Act	285
Assistant to Secretary of Housing and Urban Development—Sec. 4(c), Department of Housing and Urban Development Act	11
Below market interest rate mortgages:	
Insured mortgages—Sec. 221(d) (3), National Housing Act	236
Purchase and rehabilitation and resale to lower income families—insured mortgages—Sec. 221(h), National Housing Act	245
Rural housing—loans for rental housing and related facilities—Secs. 515, 521, Housing Act of 1949	717, 725
Cooperatives—mortgage insurance—Sec. 213, National Housing Act; Sec. 515(b), Housing Act of 1949	213, 717
Domestic farm labor—payments of up to 90 percent of development cost of low rent housing for—Sec. 516, Housing Act of 1949	719
Elderly in rural areas; Loans for rental housing and related facilities—Secs. 515, 521, Housing Act of 1949	717, 725
Elderly or handicapped:	
Loans—Sec. 202, Housing Act of 1959	461
Interest reduction payments and mortgage insurance for housing for lower income families—Sec. 235 and 236, National Housing Act	276-285
Mortgage insurance—Secs. 213, 221(d), 221(e), 221(h), 231, 235, 236, National Housing Act	213-285
Mutual self-help rural housing—grants, advances and loans—Sec. 523, Housing Act of 1949	729
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978	562
Preliminary expenses for planning and financing:	
Appalachian Region—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965	1327
Low or moderate income family housing—loans—Sec. 106(b), Housing and Urban Development Act of 1968	538
Replacement housing—loans interest free—Sec. 215, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970	1344
Purchase, rehabilitation and resale of housing to lower income families—mortgage insurance—Sec. 221(h), National Housing Act	245

INDEX

Rent supplements—Title I, Housing and Urban Development Act of 1965	Page 485
Rural trainees' housing—advances and technical assistance for provision of—Sec. 522, Housing Act of 1949	727
Nursing homes : <i>See also</i> : Health care facilities	
Fire safety equipment—loan insurance, FHA—Sec. 2, 241 National Housing Act	174, 297
Mortgage insurance—Sec. 232, National Housing Act	267
Supplemental loans—insurance, FHA—equipment, additions, or improvements—Sec. 241, National Housing Act	297
Office of Management and Budget :	
Established—Reorganization Plan No. 2 of 1970	1505
Open-end mortgages—HUD—insured—Sec. 225, National Housing Act	259
Open space land : <i>See also</i> : Relocation	
Acquisition and development—grants—Title VII, Housing Act of 1961	1175
Termination of grant program—Sec. 116, Housing and Community Development Act of 1974	1077
Circular A-95, Office of Management and Budget	911
Condemnees—compensation—Title IV, Housing and Urban Development Act of 1965	1358
Conversions to other uses—Secs. 704, 705, 706, Housing Act of 1961	1177
Coordination—with outdoor recreation program—Executive Order 11237	1178
Disaster areas—loans and supplementary grants—Sec. 803, Public Works and Economic Development Act of 1965	1445
Planning requirement—Sec. 703, Housing Act of 1961	1176
Parking—Clean Air Act	985
Participation sales :	
Authority for :	
Sec. 302(c) (2), National Housing Act	650
Department of Agriculture and Related Agencies Appropriation Act, 1968	696
Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1968	697
Departments of State, Justice, and Commerce, the Judiciary and related Agencies Appropriation Act, 1968	698
Independent Offices and Department of Housing and Urban Development, 1968	696
Independent Offices Appropriation Act, 1967	695
Participation Sales Act of 1968	694
Veterans Administration—38 U.S.C. 1820	770
Participation Sales Act of 1966	694
Payments of Insufficiencies :	
Agriculture-Environmental and Consumer Protection Appropriation Act, 1974	107
Department of Agriculture and Related Agencies Appropriation Act, 1968	696
Department of Housing and Urban Development ; Space, Science, Veterans, and other Independent Agencies Appropriation Acts, 1978, 1975, 1974 and 1973	81-132
Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1968	697
Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1968	698
Independent Offices Appropriation Act, 1967	695
Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968	696
Department of Labor and Health, Education and Welfare Appropriation Act, 1977	699
Study of direct loans, Sec. 8, Participation Sales Act of 1966	522
Penalties—violations of National Housing Act, the Servicemen's Readjustment Act of 1944, and other Federal housing laws or regulations—Sec. 512, National Housing Act	309
Planned area-wide development—Title II, Demonstration Cities and Metropolitan Development Act, of 1966	1025

INDEX

Planning: <i>See also</i> : Environment; Urban renewal	Page
Air quality control—State plans required—Clean Air Act-----	985
Airport planning—grants—23 U.S.C. 1713-----	1042
Community development—area-wide agency approval required—Sec. 104(e), Housing and Community Development Act of 1974-----	1058
Comprehensive planning:	
Community development—required—Sec. 105, Housing and Community Development Act of 1974-----	1060
Coordination—Circular A-95-----	911
Grants for:	
Sec. 701, Housing Act of 1954-----	977
Planned areawide development—Title II, Demonstration Cities and Metropolitan Development Act of 1966-----	1025
Rural areas—7 U.S.C. 1926-----	1278
Model cities—required—Sec. 103(a), Demonstration Cities and Metropolitan Development Act of 1966-----	1168
Community facilities—planning advances—Sec. 702, Housing Act of 1954-----	1161
Coordination of:	
Airport planning—with Secretary of HUD—23 U.S.C. 1713(c) --	1043
Circular A-95—Office of Management and Budget-----	911
Federal Space—planning—Executive Order 11512-----	1515
Title IV, Intergovernmental Cooperation Act of 1968-----	885
New communities—special planning assistance—Sec. 720, National Urban Policy and New Community Development Act of 1970-----	874
Open-space land—requirement for—Sec. 703, Housing Act of 1961-----	1176
Rural area—comprehensive planning grants—7 U.S.C. 1926-----	1278
Training and fellowship programs—Title VIII, Housing Act of 1964--	549
Urban transportation—	
Reorganization Plan No. 2 of 1968-----	1040
Sec. 11 Urban Mass Transportation Assistance Act of 1970-----	1039
Water and waste facilities—rural areas—7 U.S.C. 1926-----	1278
Water quality control plans—grants—Sec. 102, Federal Water Pollution Control Act-----	992
Policy statements: <i>See also</i> : Purpose, statements of	
Community development—	
Sec. 2, Housing Act of 1949-----	1
Sec. 101, Housing and Community Development Act of 1974-----	1047
Environment—Title I, National Environmental Policy Act of 1969-----	1389
Low-income housing—Sec. 2, U.S. Housing Act of 1937-----	391
Low-rent housing—Sec. 1, old U.S. Housing Act of 1937-----	413
National housing policy—Sec. 2, Housing Act of 1949-----	1
Real property acquisition—Sec. 301, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1346
Relocation assistance—Sec. 201, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1336
Solar heating and cooling demonstrations—Sec. 2, Solar Heating and Cooling Demonstration Act of 1974-----	510
Water quality control—Federal Water Pollution Control Act Amendments of 1972-----	991
Pollution abatement: <i>See</i> : Community facilities; Environment	
President's Committee on Equal Opportunity in Housing:	
Established—Executive Order 11063-----	596
Terminated—Executive Order 11246-----	1376
Predominately residential requirement:	
Mortgage insurance—Secs. 220(d), 221(f), 236(j) National Housing Act-----	223, 241, 289
Urban renewal—Secs. 110(c), 111, 112, 113, Housing Act of 1949--	1123-1136
Prefabrication: <i>See also</i> : Housing mortgage and loan insurance—Manufactured homes:	
Military housing may utilize—Sec. 406, Housing Amendments of 1955-----	744

INDEX

Presidential and national committees:

Advisory Council on Intergovernmental Personnel Policy—Executive Order 11607-----	Page 1514
Architectural and Transportation Barriers Compliance Board—Sec. 502, Rehabilitation Act of 1973-----	1487
Construction:	
Construction Industry Stabilization Committee—Executive Order 11588 -----	1498
Interagency Committee on Construction—Executive Order 11588--	1498
Cooperative Area Manpower Planning System—Executive Order 11422 -----	1504
Cost of Living Council—Executive Order 11615-----	1508
Domestic Council:	
Established—Reorganization Plan No. 2 of 1970 -----	1505
Federal Coordinating Council for Science, Engineering, and Technology, P.L. 94-282-----	154
Federal Fire Council—Executive Order 11654-----	1508
Federal Regional Councils—Executive Order 11892-----	1509
Interagency Committee on Construction—Executive Order 11588----	1498
National Commission on Fire Prevention and Control—Sec. 202, Fire Research and Safety Act of 1968-----	531
National Commission on Neighborhoods-----	1099
National Council on Indian Opportunity—Executive Order 11390-----	1503
National Voluntary Action Council and program—Executive Order 11603 -----	1512
Office of Intergovernmental Relations—Executive Order 11455-----	895
Presidential Advisory Council on Management Improvement—Executive Order 11509-----	1469
President's Committee on Migratory Labor—Executive Order 10894--	1490
President's Council on Aging—Executive Order 11022-----	1492
President's Council on Youth Opportunity—Executive Order 11330--	1493

Private mortgage and loan insurance: *See:* Housing mortgage and loan insurance, Private

Property disposal: *See also:* Surplus Federal property:

AEC communities:

Atomic Energy Community Act of 1955-----	1203
Defense Economic Adjustment Program—Executive Order 12049--	152
Executive Order 11105-----	1224
Mortgage insurance, FHA—Sec. 223, National Housing Act-----	254
Boulder Canyon housing—mortgage insurance for sale of—Sec. 223, National Housing Act-----	254
Federally-owned housing—mortgage insurance for sale of—Sec. 223, National Housing Act-----	254
Greenbelt Towns—mortgage insurance for sale of housing—Secs. 223, 610 National Housing Act-----	254, 334
Housing—sale of by Federal, State or local governments—mortgage insurance—Secs. 223, National Housing Act-----	254
HUD acquired properties—mortgage insurance for sale of—Secs. 223, 608, 803 National Housing Act-----	254, 328, 346
Locally-owned housing—mortgage insurance for sale of—Secs. 223, 610 National Housing Act-----	254, 334
State-owned housing—mortgage insurance for sale of—Secs. 223, 610 National Housing Act-----	254, 334
War housing—mortgage insurance for sale of—Secs. 223, 610 National Housing Act-----	254, 334

Prototype costs: *See:* Public housing

Public facilities: *See:* Community facilities

Public Housing Administration: Transfer to Department of Housing and Urban Development—Sec. 5, Department of Housing and Urban Development Act-----	11
---	----

INDEX

Public housing: <i>See also</i> : Relocation	Page
Acquisition costs—Sec. 3, U.S. Housing Act of 1937; Sec. 2(8), old U.S. Housing Act of 1937	391, 416
Administration—definition—Sec. 2(6), old U.S. Housing Act of 1937	416
Admission of tenants—Secs. 3, 6, U.S. Housing Act of 1937; Secs. 10(f), 10(g), old U.S. Housing Act of 1937	391, 398, 424
Alaska natives—Sec. 5(b), U.S. Housing Act of 1937	395
Annual contributions contracts:	
Achieving and maintaining low-income character of housing—Secs. 5, 6 U.S. Housing Act of 1937; Secs. 10, 14 old U.S. Housing Act of 1937	395, 398, 421, 432
Additional amounts for housing occupied by elderly or handicapped, large families, families of unusually low incomes, displaced families—Sec. 10(a), old U.S. Housing Act of 1937	421
Amendments to assure low-rent character of housing and adequate operation and maintenance—Secs. 10, 14, old U.S. Housing Act of 1937	421, 432
Assistance payments for lower income families—Sec. 8, U.S. Housing Act of 1937	402
Debt service—Secs. 5, 6 U.S. Housing Act of 1937; Sec. 10, old U.S. Housing Act of 1937	395, 398, 421
Defaults by public housing agencies—Sec. 6(g) U.S. Housing Act of 1937; Secs. 13, 15 old U.S. Housing Act of 1937	401, 432, 433
Determination of income limits. Sec. 2(h) of Housing Authorization of 1976	412
Existing housing—acquisition, rehabilitation, or lease—sec. 5 U.S. Housing Act of 1937; Secs. 10(c), 23, old U.S. Housing Act of 1937	395, 422, 442
Modification of obsolete projects—Sec. 6(f), U.S. Housing Act of 1937	400
Operation of—Sec. 9, U.S. Housing Act of 1937	408
Public Housing Security, Public Housing Security Demonstration Act of 1978	568
Reduction by income excesses—Sec. 6(e), U.S. Housing Act of 1937; Sec. 10, old U.S. Housing Act of 1937	420, 421
Restrictions—First Independent Offices Appropriation Act, 1954	449
Annual report to the Congress—Sec. 7(b), old U.S. Housing Act of 1937	420
Assistance payments for lower income families to public housing agencies—Sec. 8, U.S. Housing Act of 1937	402
Audit and budget requirements:	
Sec. 10, U.S. Housing Act of 1937	409
Sec. 10(k), old U.S. Housing Act of 1937	428
Independent Offices Appropriations Act, 1952	446
Independent Offices Appropriations Act, 1953	447
First Independent Offices Appropriations Act, 1954	449
Sec. 816, Housing Act of 1954	143
Authorizations—dollars limits:	
Annual contributions—Sec. 5(c), U.S. Housing Act of 1937; Sec. 10(e), old U.S. Housing Act of 1937	419, 423
Annual contributions for operation—Sec. 9(c), U.S. Housing Act of 1937	409
Annual contributions for Sec. 23 leased housing—Sec. 10(e), old U.S. Housing Act of 1937	423
Capital grants—Sec. 11(d), old U.S. Housing Act of 1937	429
Congregate housing—Sec. 7, U.S. Housing Act of 1937; Sec. 15(12), old U.S. Housing Act of 1937	402, 439
Housing assistance payments—Sec. 8(b), U.S. Housing Act of 1937	402
Leased housing—Sec. 23—annual contributions—Sec. 10(e), old U.S. Housing Act of 1937	423
Loans—Sec. 4, U.S. Housing Act of 1937; Sec. 20, old U.S. Housing Act of 1937	394, 439

INDEX

Public housing—Continued

Authorizations—dollar limits—Continued

Operation of projects—annual contributions—Sec. 9(c), U.S. Housing Act of 1937..... Page 409

Treasury borrowings by U.S. Housing Authority—Sec. 20, old U.S. Housing Act of 1937..... 439

Authorizations—limits on number of units—Independent Offices Appropriations Act, 1952, and Independent Offices Appropriations Act, 1953..... 446, 447

Brooke amendments—Sec. 2(1), old U.S. Housing Act of 1937..... 413

Budget and audit requirements—Sec. 10, U.S. Housing Act of 1937; Sec. 10(k), old U.S. Housing Act of 1937..... 409, 428

Capital grants for—Secs. 9, 11, old U.S. Housing Act of 1937..... 420, 428

Children:
Highrise prohibited except where impractical—Sec. 6(a), U.S. Housing Act of 1937; Sec. 15(11), old U.S. Housing Act of 1937..... 398, 438

Large families—additional annual contributions for—Sec. 10(a), old U.S. Housing Act of 1937..... 421

Collective treatment of projects—Sec. 5(d), U.S. Housing Act of 1937; Sec. 15(6), old U.S. Housing Act of 1937..... 397, 435

Condemnees—compensation—Title IV, Housing and Urban Development Act of 1965..... 1358

Congregate housing—Sec. 7, U.S. Housing Act of 1937; Sec. 15(12), old U.S. Housing Act of 1937..... 402, 438

Contract modifications—Sec. 5(f), U.S. Housing Act of 1937..... 397

Cost limits—Sec. 6(b), U.S. Housing Act of 1937; Sec. 15(5) old U.S. Housing Act of 1937..... 398, 434

Counseling of tenants—Sec. 3(4), U.S. Housing Act of 1937; Sec. 106, Housing and Urban Development Act of 1968..... 393, 537

Counseling services for homeownership by over-income tenants—Sec. 237, National Housing Act..... 292

Debt service—Secs. 5, 6, U.S. Housing Act of 1937..... 395, 398

Defaults by public housing agencies—Sec. 6(g), U.S. Housing Act of 1937; Sec. 22, old U.S. Housing Act of 1937..... 401, 440

Demonstrations—low income housing projects—Sec. 207, Housing Act of 1961..... 451

Development costs—Sec. 3, U.S. Housing Act of 1937; Sec. 2(5) old U.S. Housing Act of 1937..... 391, 415

Displaced persons:
Additional annual contributions for—Sec. 10(a), old U.S. Housing Act of 1937..... 421

Congregate housing—Sec. 7, U.S. Housing Act of 1937; Sec. 15(12), old U.S. Housing Act of 1937..... 402, 438

Eligible for—Sec. 3, U.S. Housing Act of 1937; Sec. 2, old U.S. Housing Act of 1937..... 391

Disposal of Federally acquired projects—Sec. 12, old U.S. Housing Act of 1937..... 429

Economic mix to be promoted—Sec. 8(a), U.S. Housing Act of 1937..... 402

Elderly or handicapped:
Additional annual contributions for—Sec. 10(a), old U.S. Housing Act of 1937..... 421

Congregate housing—Sec. 7, U.S. Housing Act of 1937; Sec. 15(12), old U.S. Housing Act of 1937..... 402, 438

Definitions—Sec. 3, U.S. Housing Act of 1937; Sec. 2, old U.S. Housing Act of 1937..... 391, 413

Design and related facilities—Sec. 209, Housing and Community Development Act of 1974; Sec. 15(12), old U.S. Housing Act of 1937..... 411, 438

High-rise for permitted—Sec. 6(a), U.S. Housing Act of 1937; Sec. 15(11), old U.S. Housing Act of 1937..... 398, 438

Energy conservation—Sec. 6(b), U.S. Housing Act of 1937..... 398

Energy Conservation—Energy Conservation and Production Act..... 997

INDEX

Public housing—Continued

Equivalent elimination of unsafe or insanitary housing units required—Sec. 10(a), old U.S. Housing Act of 1937-----	Page 421
Existing housing:	
Rehabilitation—Sec. 3, U.S. Housing Act of 1937-----	391
Use of—Sec. 5(b), U.S. Housing Act of 1937-----	395
Federal borrowing to finance loans—Sec. 4, U.S. Housing Act of 1937; Sec. 20, old U.S. Housing Act of 1937-----	394
Financing—Secs. 4, 5, 11, U.S. Housing Act of 1937; Secs. 9, 10, 22, old U.S. Housing Act of 1937-----	394-440
Hearing on refusal to admit tenants—Sec. 6(c), U.S. Housing Act of 1937; Sec. 10(g), old U.S. Housing Act of 1937-----	399, 424
High-rise prohibited except where impractical or for elderly—Sec. 6 (a), U.S. Housing Act of 1937; Sec. 15(11), old U.S. Housing Act of 1937-----	398, 438
Income limits—Secs. 3, 6(c), U.S. Housing Act of 1937; Secs. 2, 10(g), old U.S. Housing Act of 1937-----	391, 399, 412, 424
Indians—Sec. 5(c), U.S. Housing Act of 1937-----	395
Interest rates—conflicts between Federal and State laws—Sec. 702, Emergency Home Finance Act of 1970-----	700
Labor standards—Sec. 12, U.S. Housing Act of 1937; Sec. 16, old U.S. Housing Act of 1937-----	410, 438
Leased housing—Secs. 10(c), 10(g), 23, old U.S. Housing Act of 1937; Sec. 208, Housing and Community Development Act of 1974-----	422, 442
Loans for—acquisition, development of, and operation—Sec. 4, U.S. Housing Act of 1937; Secs. 9, 15, old U.S. Housing Act of 1937--	394, 420, 433
Loans for planning or obtaining financing for—Sec. 106(b), Housing and Urban Development Act of 1968-----	538
Local cooperation agreement required—Sec. 5(e), U.S. Housing Act of 1937; Sec. 15(7), old U.S. Housing Act of 1937-----	397, 435
Local governing body approval required:	
Sec. 5(e), U.S. Housing Act of 1937-----	397
Sec. 15(7), old U.S. Housing Act of 1937-----	435
Independent Offices Appropriation Act, 1952-----	446
Independent Offices Appropriation Act, 1953-----	447
First Independent Offices Appropriation Act, 1954-----	449
Supplemental Appropriations Act, 1953-----	448
Local government services or facilities provided—Sec. 10(i), old U.S. Housing Act of 1937-----	427
Local housing assistance plan—Sec. 213(a)(5), Housing and Com- munity Development Act of 1974; Sec. 8 U.S. Housing Act of 1937--	21, 402
Low-income housing—definition of—Sec. 3, U.S. Housing Act of 1937--	391
Low-rent housing—definition of—Sec. 2(1), old U.S. Housing Act of 1937-----	413
Management: <i>See</i> : Operation, <i>infra</i>	
Mutual self-help housing—Sec. 203, Housing and Community Devel- opment Act of 1974-----	411
Need for—20 percent gap requirement—Sec. 15(7), old U.S. Housing Act of 1937-----	435
Obligations of public housing agencies: <i>See also</i> : Financing; Loans	
Annual contributions contracts security for—Secs. 5, 6(g), and 11, U.S. Housing Act of 1937; Secs. 10(f) and 22, old U.S. Housing Act of 1937-----	395-409, 424, 440
Federal guarantee of principal and interest—Secs. 5(g), 11, U.S. Housing Act of 1937; Secs. 10, 22, old U.S. Housing Act of 1937-----	398, 409, 421, 440
Federal loans security for—Secs. 4, 11, U.S. Housing Act of 1937; Sec. 22 old U.S. Housing Act of 1937-----	394, 409, 440
Federal tax exemption prohibited on certain obligations—Sec. 5(g), U.S. Housing Act of 1937-----	398
Tax exemption—State, local and Federal—Sec. 11(b), U.S. Hous- ing Act of 1937-----	410

INDEX

Public Housing—Continued	Page
Obsolete projects—Sec. 6(f), U.S. Housing Act of 1937-----	400
Operating Subsidies for Troubled Multifamily Housing Projects, Title II, Housing and Community Development Amendments of 1978----	562
Operation:	
Annual contributions for—Sec. 9, U.S. Housing Act of 1937; Sec. 10(a), old U.S. Housing Act of 1937-----	408, 421
Congregate housing—Sec. 7, U.S. Housing Act of 1937-----	402
Definition—Sec. 3, U.S. Housing Act of 1937-----	391
Increased costs—amendment of annual contributions contract—Sec. 10(a), old U.S. Housing Act of 1937-----	421
Loans for—Sec. 4, U.S. Housing Act of 1937; Sec. 9, old U.S. Housing Act of 1937-----	394, 420
Local government services or facilities, payment for—Sec. 10(i), old U.S. Housing Act of 1937-----	427
Requirements—Sec. 6(c) (4), U.S. Housing Act of 1937-----	399
Subsidies—Sec. 9, U.S. Housing Act of 1937-----	408
Policy statement—Sec. 2, U.S. Housing Act of 1937; Sec. 1, old U.S. Housing Act of 1937-----	391, 413
President's approval required of annual contributions, grants, and loans—Sec. 6(d), old U.S. Housing Act of 1937-----	420
Prototype costs—Sec. 6(b), U.S. Housing Act of 1937; Sec. 15(5), old U.S. Housing Act of 1937-----	419, 434
Prototype costs, Sec. 904, Housing and Community Development Act of 1977-----	553
Public housing agency:	
Contracts for Federal housing assistance payments for lower income families—Sec. 8, U.S. Housing Act of 1937-----	402
Definition of—Sec. 3, U.S. Housing Act of 1937; Sec. 2(II), old U.S. Housing Act of 1937-----	391, 417
Referendums:	
First Independent Offices Appropriations Act, 1954-----	449
Independent Offices Appropriation Act, 1952-----	446
Independent Offices Appropriations Act, 1953-----	447
Supplemental Appropriations Act, 1953-----	448
Rehabilitation of existing housing for—Secs. 3, 5, U.S. Housing Act of 1937; Secs. 2(5), 10(c), old U.S. Housing Act of 1937--	391, 395, 415, 422
Relocation of persons displaced from project sites—Sec. 15(7), old U.S. Housing Act of 1937-----	435
Rental limits—Sec. 3, U.S. Housing Act of 1937; Sec. 2, old U.S. Housing Act of 1937; Sec. 202, Housing and Community Development Act of 1974-----	391, 410, 413
Sale of projects—Sec. 10(b), old U.S. Housing Act of 1937-----	422
Self-help housing:	
Demonstrations of—Sec. 207, Housing Act of 1961-----	451
Exemption from rental formula—Sec. 203, Housing and Community Development Act of 1974-----	411
Single persons—eligible for occupancy—Sec. 3, U.S. Housing Act of 1937; Sec. 2(2), 10(g), old U.S. Housing Act of 1937-----	391, 414, 424
Solar heating and cooling systems—cost limits can be increased by—public housing to be used in demonstrations—Secs. 13, 17, Solar Heating and Cooling Demonstration Act, 1974-----	518-520
State projects—conversion to—Sec. 606, Housing Act of 1949-----	446
Surplus Federal property—can be transferred to HUD for sale or lease for—Sec. 414, Housing and Urban Development Act of 1969-----	27
Tax provisions:	
Federal tax exemption prohibited for guaranteed public housing obligations—Sec. 5(g), U.S. Housing Act of 1937-----	398
Obligations of public housing agencies exempt from Federal, State and local taxes—Sec. 11(b), U.S. Housing Act of 1937---	410
Payments in lieu of taxes—Sec. 6(d), U.S. Housing Act of 1937; Sec. 10(h), old U.S. Housing Act of 1937-----	409, 426
Tax exemptions or tax contributions required for projects—Sec. 6(d), U.S. Housing Act of 1937; Sec. 10(h), old U.S. Housing Act of 1937-----	400, 426
Study of Payments in lieu of taxes, Sec. 201 of the Housing and Community Development Act of 1977-----	411

INDEX

Public Housing—Continued	
Tenant admission—Secs. 3, 6, U.S. Housing Act of 1937; Secs. 2, 10(f), old U.S. Housing Act of 1937	Page 391, 398, 413, 427
Tenants:	
Board of Directors of local public housing agency—can serve on—Sec. 2, U.S. Housing Act of 1937; Sec. 1, old U.S. Housing Act of 1937	391, 413
Counseling—Sec. 3, U.S. Housing Act of 1937; Sec. 2(6), old U.S. Housing Act of 1937	391, 416
Management participation—Sec. 3(4), U.S. Housing Act of 1937; Sec. 2(6), old U.S. Housing Act of 1937	393, 416
Subversive organizations—membership in prohibited—Independent Offices Appropriation Act, 1953; First Independent Offices Appropriation Act, 1954	447, 449
Tenant organizations—Sec. 3, U.S. Housing Act of 1937; Sec. 2(6), old U.S. Housing Act of 1937	391, 416
Tenant programs and services—Sec. 3, U.S. Housing Act of 1937; Sec. 2(6), old U.S. Housing Act of 1937	391, 416
Tenant purchase permitted—Secs. 5(h), 6, U.S. Housing Act of 1937; Secs. 15(9), 23, old U.S. Housing Act of 1937	398, 436, 442
U.S. citizenship required:	
Independent Offices Appropriation Act, 1952	446
Independent Offices Appropriation Act, 1953	447
First Independent Offices Appropriation Act, 1954	449
United States Housing Authority:	
Creation and administration of public housing—old U.S. Housing Act of 1937	412
Authority to sue and be sued—Sec. 502(b), Housing Act of 1948	138
Welfare payments—Sec. 3, U.S. Housing Act of 1937; Sec. 2, old U.S. Housing Act of 1937	391, 413
Public works: <i>See</i> : Community facilities	
Public Works and Economic Development Act of 1965:	
Title V—Regional Action Planning Commission	1321
Title VIII—Economic recovery for disaster areas	1443
Puerto Rico: <i>See also</i> : Territories	
Housing mortgage and loan insurance—Sec. 201(d), National Housing Act	184
Rural housing assistance—Title V, Housing Act of 1949	701
Yield insurance—rental housing—Sec. 713(q), National Housing Act	345
Purpose, statement of:	
Community development—Sec. 101, Housing and Community Development Act of 1974	1047
Community economic development—Sec. 701, Economic Opportunity Act of 1964	1311
Community facilities—Sec. 701, Housing and Urban Development Act of 1965	1161
Congressional Budget and Impoundment Control Act of 1974	29
Crime insurance—Sec. 1102, Urban Property Protection and Reinsurance Act of 1968	1228
Economic development—Sec. 2, Headstart, Economic Opportunity, and Community Partnership Act of 1974; Sec. 701, Economic Opportunity Act of 1964	1311
Emergency Housing Act of 1975	453
Energy Conservation and Production Act, title III, title IV	998, 1004
Environment—Sec. 2, National Environmental Policy Act of 1969; Sec. 202, Environmental Quality Improvement Act of 1970	1389, 1402
Federal Financing Bank Act of 1973—Sec. 2	831
Federal Urban Land Use Act	891
Flood insurance—Sec. 1302, Housing and Urban Development Act of 1968; Sec. 2, Flood Disaster Protection Act of 1973	1250, 1245
Inner city areas—development of—Sec. 740, National Urban Policy and New Community Development Act of 1970	878
Joint Funding Simplification Act of 1974	75
Livable Cities Act of 1978, Title VIII, Housing and Community Development Amendments of 1978	1095
Mortgage Disclosure—Home Mortgage Disclosure Act of 1975	844

INDEX

Purpose, statements of—Continued

National housing partnerships—Sec. 901, Housing and Urban Development Act of 1968.....	Page 839
National housing policy and goal:	
1968.....	1
Reaffirmation—Sec. 2, Housing and Urban Development Act of 1968.....	3
Neighborhood Reinvestment Corporation Act, Sec. 602, Housing and Community Development Amendments of 1978.....	1086
New Communities Act of 1968, Sec. 402.....	879
Neighborhood Self-Help Development Act of 1978, Sec. 702, Housing and Community Development Amendments of 1978.....	1091
Open space land—Sec. 701, Housing Act of 1961.....	1175
Planned areawide development—Sec. 201, Demonstration Cities and Metropolitan Development Act of 1966.....	1025
Real estate settlement procedures—Sec. 2, Real Estate Settlement Procedures Act of 1974.....	615
Secondary market for housing loans—Sec. 301, National Housing Act: Sec. 801, Housing and Urban Development Act of 1968.....	645, 683
Sound development of communities—Sec. 2, Department of Housing and Urban Development Act of 1968; Sec. 101, Housing and Community Development Act of 1974.....	3, 1047
State housing finance and development assistance—Sec. 802, Housing and Community Development Act of 1974.....	571
Technical services—provision by Federal government—Title III, Intergovernmental Cooperation Act of 1968.....	888
Training and fellowship programs—Sec. 801, Housing Act of 1964.....	549
National Urban Policy and New Community Development Act of 1970—Sec. 701, 710, 740.....	863, 866, 878
Urban information and technical assistance services—Sec. 901, Demonstration Cities and Metropolitan Development Act of 1966.....	553
Urban transportation—23 U.S.C. 1601.....	1036
Real estate settlement:	
Authority of the Secretary—Sec. 19, Real Estate Settlement Procedures Act of 1974; Sec. 12, Real Estate Settlement Procedures Act Amendments of 1975.....	625
Advance disclosure of settlement costs—Sec. 6, Real Estate Settlement Procedures Act of 1974.....	618
Coordination—with Administrator of Veterans' Affairs, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board—Secs. 4, 14, Real Estate Settlement Procedures Act of 1974.....	617, 623
Disclosure of previous selling price—Sec. 7, Real Estate Settlement Procedures Act of 1974.....	619
Escrow accounts—Sec. 10, Real Estate Settlement Procedures Act of 1974.....	621
Kickbacks and unearned fees prohibited—Sec. 8, Real Estate Settlement Procedures Act of 1974.....	620
Mortgage settlement costs:	
HUD and VA to prescribe standards governing financing of housing—Sec. 701, Emergency Home Finance Act of 1970.....	625
HUD and VA to study and report to Congress—Sec. 701, Emergency Home Finance Act of 1970.....	625
Purpose, statement of—Sec. 2, Real Estate Settlement Procedures Act of 1974.....	615
Recordation system of land title—demonstration of model system—by Secretary of HUD—Sec. 13, Real Estate Settlement Procedures Act of 1974.....	623
Redlining—See Community Reinvestment.....	1083
Reports to Congress:	
Feasibility of including settlement cost range statements in special information booklets—Sec. 15, Real Estate Settlement Procedures Act of 1974.....	624
Housing for Large Families, Section 8, United States Housing Act of 1937.....	452
Need for further legislation—Sec. 14, Real Estate Settlement Procedures Act of 1974.....	623
Special information booklets—on costs of settlement—Sec. 5 Real Estate Settlement Procedures Act of 1974.....	617

INDEX

Real estate settlement—Continued	
Uniform settlement statement—Sec. 4, Real Estate Settlement Pro-	Page
cedures Act of 1974	617
Real Estate Settlement Procedures Act of 1974	615
Real property acquisition: <i>See also</i> : Real estate settlement	
Compensation—Sec. 302, Uniform Relocation Assistance and Real	
Property Acquisition Policies Act of 1970	1347
Compensation of condemnees—Title IV, Housing and Urban Develop-	
ment Act of 1965	1358
Military housing at bases ordered closed:	
Sec. 1013, Demonstration Cities and Metropolitan Development	
Act of 1966	1360
Sec. 404, Housing Amendments of 1955	741
Relocation—Title III, Uniform Relocation Assistance and Real Prop-	
erty Acquisition Policies Act of 1970	1346
Reasonably satisfactory credit risk—acceptable for FHA insurance of	
home purchase mortgages—Sec. 237, National Housing Act	292
Recreational development:	
Coastal zones—development and management—Coastal Zone Man-	
agement Act of 1972	947
Coordination with outdoor recreation program—Executive Order	
11237	1178
Loans and loan insurance—rural areas—7 U.S.C. 1923, 1924, 1926,	
1942	1277, 1278, 1290
Open space land:	
Coordination with outdoor recreation program—Executive Order	
11237	1178
Parklands—preservation and plans for—23 U.S.C. 138	1034
Regions: <i>See also</i> : Economic development	
Air quality control—Clean Air Act	985
Coastal zones—Coastal Zone Management Act of 1972	947
Comprehensive planning—grants—Sec. 701, Housing Act of 1954	977
Federal Regional Councils—Executive Order 11892	1509
Rehabilitation Act of 1973:	
Sec. 303—Mortgage insurance for rehabilitation facilities	382
Sec. 502—Architectural and Transportation Barriers Compliance	
Board	1487
Rehabilitation: <i>See also</i> : Elderly or handicapped; Federal savings and	
loan associations; Housing mortgage and loan insurance; Housing for	
lower income families; Rural housing; Urban renewal	
Abandoned structures and housing—demonstrations of alleviation	
and prevention—loans—Sec. 505, Housing and Urban Development	
Act of 1970	505
Business—loans—Small Business Act	1349
Code enforcement and urban renewal areas—loans—Sec. 312, Housing	
Act of 1964	479
Community development:	
Block grants—Title I, Housing and Community Development Act	
of 1974	1047
Loans (and termination of loans)—Sec. 312, Housing Act of	
1964	479
Homes—loans—Sec. 312, Housing Act of 1964 and Small Business	
Act	479, 1349
Loans:	
Authorization—dollar limit and expiration date—Sec. 312, Hous-	
ing Act of 1964	479
Priority to lower income families—Sec. 312, Housing Act of 1964	479
Rural housing—Sec. 504, Housing Act of 1949	700
Preliminary expenses of planning replacement housing—Loans—	
Sec. 215, Uniform Relocation Assistance and Real Property Acquisi-	
tion Policies Act of 1970	1343
Refinancing of existing indebtedness—Sec. 312(c) (4), Housing Act of	
1964	481
Urban homestead program:	
Loans—Sec. 312, Housing Act of 1964; Sec. 810, Housing and	
Community Development Act of 1974	479, 491
Transfer of housing to public agencies—Sec. 810, Housing and	
Community Development Act of 1974	491

INDEX

Rehabilitation—Continued	Page
Urban renewal areas—loans—Sec. 312, Housing Act of 1964-----	179
Workable program for community improvement required—Sec. 312, Housing Act of 1964-----	479
Relocations:	
Advisory services—Sec. 205, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1339
Below market interest rate housing—mortgage insurance—Sec. 221 (f), National Housing Act-----	241
Community development—Sec. 105, Housing and Community Develop- ment Act of 1974-----	1060
Community facilities—Uniform Relocation Assistance and Real Prop- erty Acquisition Policies Act of 1970-----	1335
Housing mortgage insurance—Sec. 221, National Housing Act-----	234
Interest reduction payments and mortgage insurance, FHA—for hous- ing for lower income families—Secs. 235 and 236, National Housing Act-----	276, 285
Model cities:	
Displaced—Sec. 217, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1344
Plan required—Sec. 103(a), 107, Demonstration Cities and Metro- politan Development Act of 1966-----	1168, 1171
Neighborhood development—Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1335
Open space land—Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1335
Payments:	
Sec. 404, Housing and Urban Development Act of 1965-----	1360
Title II, Uniform Relocation Assistance and Real Property Acqui- sition Policies Act of 1970-----	1336
Public housing—Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1335
Rental income losses—Sec. 105, Housing and Community Development Act of 1974-----	1060
Replacement housing—Sec. 203, 204, 206, 215, 218 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970... 1337-1344	
Self-help housing—mortgage insurance—interest reduction pay- ments—Sec. 235(i), National Housing Act-----	281
Urban renewal—Sec. 105(c), Housing Act of 1949; Sec. 217, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1115, 1344
Urban mass transportation—Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1335
Urban transportation—23 U.S.C. 1606; Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970-----	1037, 1335
Rent supplements:	
Authorizations:	
Title I, Housing and Urban Development Act of 1965-----	485
Dollar limit—Sec. 101(a), Housing and Urban Development Act of 1965-----	485
Experimental—See 101(j), Housing and Urban Development Act of 1965-----	489
Income limits—Sec. 101(d), Housing and Urban Development Act of 1965-----	487
Tenants eligible for—Sec. 101(c), Housing and Urban Development Act of 1965-----	486
Reorganization plans:	
Reorganization Plan No. 2 of 1968—Urban Mass Transportation Ad- ministration established-----	1040
Reorganization Plan No. 2 of 1970—Office of Management and Budget; Domestic Council-----	1505

INDEX

Replacement cost—HUD-insured mortgages limited to—Secs. 207(c), 213 (b), 213(i), 220(d), 221(d), 226, 233(b), 234(d), National Housing Act	Page 204-274
Research: <i>See also</i> : Demonstrations; Technology; Studies, surveys and reports:	
Department of Housing and Urban Development programs—Title V, Housing and Urban Development Act of 1970	503
Energy Conservation and Renewable-Resource Demonstration, Title V, Sec. 509, Housing and Urban Development Act of 1970	1018
Economic development—grants—Sec. 746, Economic Opportunity Act of 1964	1319
Counseling to Mortgagors, Sec. 508, Housing and Urban Development Act of 1970	508
Environmental studies—urban—Sec. 1011, Demonstration Cities and Metropolitan Development Act of 1966	528
Federal land to be used for—Sec. 502, Housing and Urban Development Act of 1970	503
Fire prevention and control—Sec. 203, Fire Research and Safety Act of 1968	532
Fire research and safety—Sec. 101, Fire Research and Safety Act of 1968	531
Highways—23 U.S.C. 307	1035
Housing and urban new techniques—study, tests, and assistance to application—Sec. 1010, Demonstration Cities and Metropolitan Development Act of 1966	526
Housing policies and programs, residential design and materials, housing market—Sec. 602, Housing Act of 1956	525
Housing techniques, housing market data, urban needs—Title III, Housing Act of 1948	523
Housing programs—Title V, Housing and Urban Development Act of 1970	503
Lead-based paint poisoning prevention—Secs. 201, 301, Lead-based Paint Poisoning Prevention Act	1196, 1197
Mobile homes—construction and safety standards—Sec. 608, National Mobile Home Construction and Safety Standards Act of 1974	631
Rural development—Sec. 502(b), Rural Development of 1972	1304
Rural housing—studies of farm housing and farm housing needs—grants—Sec. 506, Housing Act of 1949	708
Solar energy, including demonstrations—Sec. 506, Housing and Urban Development Act of 1970	507
Solar energy, heating and cooling systems—demonstrations—grants—Solar Heating and Cooling Demonstration Act of 1974	509
Special needs—housing for—such as elderly, large families—Sec. 507, Housing and Urban Development Act of 1970	507
State and local research on housing and community development grants—Sec. 803, Housing Act of 1964	550
Urban transportation:	
Elderly and handicapped—meeting needs of—23 U.S.C. 1612(c)	1039
High-speed ground transportation—23 U.S.C. 1631	1041
Water quality control plans—grants—Federal Water Pollution Control Act Amendments of 1972	991
Riot areas: <i>See also</i> : Crime insurance; Urban Renewal Loans to small business—Small Business Act	1349
Rural areas: <i>See also</i> : Rural development; Rural housing	
Community development:	
Block grants—Title I, Housing and Community Development Act of 1974	1047
Loans, loan insurance, grants—7 U.S.C. 1926	1278
Comprehensive planning—grants—Sec. 701, Housing Act of 1954	977
Definition—Sec. 520, Housing Act of 1949; 7 U.S.C. 1926	724, 1278
Rural development: <i>See also</i> : Community development; Community facilities; Economic development; Land development; Rural housing; Rural industrialization	

INDEX

Rural development—Continued	Page
Extension programs—Sec. 502, Rural Development Act of 1972-----	1303
Research—Sec. 502(b), Rural Development Act of 1972-----	1304
Rural Development Act of 1972, Title V—Rural Development and Small Farm Research and Education-----	1303
Rural Development Act of 1972, Title V—Rural Development and Small Farm Research and Education-----	1303
Rural housing: <i>See also:</i> Housing mortgage and loan insurance: Veterans housing; Emergency Housing Act of 1975	
Acquired property—7 U.S.C. 1985-----	1298
Advances and technical assistance for housing for rural trainees—Sec. 522, Housing Act of 1949-----	727
Annual contributions:	
Authorization—dollar limit on aggregate commitments—Sec. 512, Housing Act of 1949-----	713
Loans and annual contributions for homes and buildings for lower income families—Sec. 503, Housing Act of 1949-----	705
Assistance payments to owners of rental or cooperative housing to provide housing for low-income occupants:	
Sec. 521(a)(2), Housing Act of 1949-----	726
Sec. 236(f), National Housing Act-----	286
Authorizations for appropriations—Secs. 513, 515, 523, 525, Housing Act of 1949-----	714, 717, 729, 732
Cancellation of interest on loans in extreme hardship cases—Sec. 505, Housing Act of 1949-----	707
Closing costs—loans—7 U.S.C. 1942-----	1290
Community development corporations—eligible for housing assistance—Sec. 744, Economic Opportunity Act of 1964-----	1318
Condominiums—blanket loans and insurance of blanket loans for multifamily housing projects to be condominiums—Sec. 526, Housing Act of 1949-----	733
Insurance of blanket loans for multifamily projects to be condominiums—Sec. 526, Housing Act of 1949-----	733
Low interest rate loans to provide condominium housing for persons and families of low or moderate income—Sec. 521(a)(1), Housing Act of 1949-----	725
Loans and loan insurance of loans to persons or families of low and moderate incomes to purchase units—Sec. 526, Housing Act of 1949-----	733
Low interest rate loans and insurance of loans to persons and families of low or moderate income to purchase units—Secs. 521(a)(1), 526, Housing Act of 1949-----	725, 733
Cooperatives:	
Assistance payments to make housing available to low income occupants at rates commensurate to incomes—Sec. 521(a)(2), Housing Act of 1949; Sec. 236(f), National Housing Act-----	286, 726
Insurance of loans for rental or cooperative housing and related facilities for elderly persons or families or persons of moderate income—Sec. 515(b), Housing Act of 1949-----	717
Interest reduction payments and insured loans for homes, cooperative or rental housing for persons or families of low income—Sec. 521, Housing Act of 1949; Sec. 236(f), National Housing Act-----	286, 725
Low interest rate loans:	
Cooperative or rental housing for persons or families of low or moderate income or elderly—Sec. 521, Housing Act of 1949-----	725
Housing for elderly of low or moderate income or persons or families of low incomes—Sec. 515(a), Housing Act of 1949-----	717
Coordination—Circular A-95, Office of Management and Budget-----	911
Cosigners permitted on loans—Sec. 502(a), Housing Act of 1949-----	704

INDEX

Rural housing—Continued

Department of Housing and Urban Development:

Assistance payments, mortgage insurance, and interest reduction payments—homes and rental housing for low incomes—Secs. 235, 236, National Housing Act.....	Page 276-285
Mortgage insurance for farm homes—Secs. 203(i), 603(b), National Housing Act.....	189, 321
Disaster—low interest rate housing loans—Secs. 502, 515, 517, 521, 526, Housing Act of 1949.....	704, 717, 721, 725, 733
Domestic farm labor:	
Low interest rate loans and insurance of loans for housing and related facilities for—Sec. 514, Housing Act of 1949.....	714
Payments of up to 90 percent of development cost of low rent housing and related facilities for—Sec. 516, Housing Act of 1949.....	719

Elderly:

Assistance payments for multifamily housing for low income—Sec. 521(a)(2), Housing Act of 1949; Sec. 236, National Housing Act.....	285, 726
Interest reduction payments and insured loans for homes, or cooperative or rental housing for—Sec. 521, Housing Act of 1949; Secs. 235, 236, National Housing Act.....	276, 285
Loans or grants for homes, farm buildings, and land for—Sec. 501, Housing Act of 1949.....	701
Low interest rate loans and insurance of loans:	
Homes—Secs. 502, 517, 521 Housing Act of 1949.....	704, 721, 725
Rental or cooperative housing—Secs. 515, 521, Housing Act of 1949.....	717, 725
Loans and insurance of loans—homes—Sec. 517, Housing Act of 1949.....	721
Escrow payments by borrowers—Sec. 501(e), Housing Act of 1949..	703

Grants:

Farmers Home Administration:	
Acting for Secretary of Agriculture—Sec. 501, Housing Act of 1949.....	701
Powers, duties and assets—7 U.S.C. 1981.....	1293
Taxation of Farmers Home Administration-Held Property—Sec. 528 of the Housing Act of 1949.....	734
Flood insurance requirement—Flood Disaster Protection Act of 1973..	1245
Housing for domestic farm labor—Sec. 516, Housing Act of 1949..	719
Improvements or repairs of homes and buildings—lower income families—Secs. 501, 504(a), Housing Act of 1949.....	701, 706
Mutual and self-help housing—Sec. 523, Housing Act of 1949.....	729
Research and studies of farm housing and farm housing needs—Sec. 506, Housing Act of 1949.....	708
Technical and supervisory assistance to needy low income persons and families in benefitting from Federal, state and local housing programs—Sec. 525(a), Housing Act of 1949.....	732
Energy conservation, Secs. 307, 413, 414, Energy Conservation and Production Act.....	1002-1009
Guaranteed loans—waiver of Housing Act of 1949 requirements—7 U.S.C. 1933.....	1290
Hawaii—guarantee by Department of Hawaiian Home Lands—7 U.S.C. 1933.....	1290
Improvements or repairs of existing housing—loans, insurance of loans for rental or cooperative housing for elderly or families of moderate income—Sec. 515, Housing Act of 1949.....	717
Improvement, rehabilitation or repairs—loans and grants—Sec. 501(a), Housing Act of 1949.....	701
Improvements or repairs of homes and buildings for lower income families—loans and grants—Sec. 504, Housing Act of 1949.....	706
Interest reduction payments and mortgage insurance—homes and rental housing:	
Farmers Home Administration—Sec. 521, Housing Act of 1949..	725
Federal Housing Administration—Secs. 235 and 236(1), National Housing Act.....	276, 291

Rural housing—Continued

Labor standards—low rent housing for domestic farm labor—Sec. 516, Housing Act of 1949	Page 719
Land development—loans and insurance of loans—7 U.S.C. 1923, 1942	1277
Leasehold owners—eligible for assistance—Sec. 501(b), Housing Act of 1949	702
Lessees of assisted housing—protection—Sec. 509(b), Housing Act of 1949	711
Loan insurance:	
Agricultural Credit Insurance Fund—7 U.S.C. 1929	1282
Assistance payments to owners of rental or cooperative housing financed by insured loans to make available housing to low income occupants at rentals commensurate to income—Sec. 521 (a) (2), Housing Act of 1949; Sec. 236, National Housing Act	285, 726
Authorization:	
7 U.S.C. 1922; Secs. 514, 515, 517, 521, 526, Housing Act of 1949	714, 733, 1277
Time limits; Secs. 515(b), 517(a), Housing Act of 1949	717, 721
Condominiums:	
Blanket loans for multifamily projects for low or moderate income—Sec. 526(c), Housing Act of 1949	734
Insurance of loans to persons or families of low or moderate incomes—Sec. 526, Housing Act of 1949	733
Interest reduction payments and insured loans for condominium units for persons and families of low or moderate income—Sec. 521(a)(1), Housing Act of 1949; Sec. 235, National Housing Act	276, 725
Low interest rate loans to persons or families of low and moderate income for purchase of units—Secs. 521, 526, Housing Act of 1949	725, 733
Domestic farm labor: Low interest rate loans for housing and related facilities—Sec. 514, Housing Act of 1949	714
Homes and condominium units—Secs. 517, 526, Housing Act of 1949	721, 733
Housing loans sold to be insured—Secs. 515(b), 517, Housing Act of 1949; 7 U.S.C. 1929(f)	717, 721
Interest reduction payments and insured loans for homes and for rental or cooperative housing and related facilities for persons and families of low income—Sec. 521(a), Housing Act of 1949; Secs. 235, 236, National Housing Act	276, 285, 725
Lenders other than U.S.—Sec. 517(d), Housing Act of 1949	722
Rental or cooperative housing and related facilities for elderly persons or other persons and families of moderate incomes—Sec. 515(b), 521, Housing Act of 1949	717, 725
Rural Development Insurance Fund—7 U.S.C. 1929a	1283
Rural Housing Insurance Fund—Secs. 517, 519, 521(c), Housing Act of 1949	721, 724, 725

Loans:

Authorizations—7 U.S.C. 1922; Secs. 515(a), 511, Housing Act of 1949	713, 717, 1277
Cancellation of interest in extreme hardship cases—Sec. 505, Housing Act of 1949	707
Condominiums:	
Blanket loans for multifamily projects to be sold as condominiums—Sec. 526, Housing Act of 1949	733
Loans for purchase of units by persons and families of low or moderate incomes—Secs. 521, 526, Housing Act of 1949	725, 733
Enlargement or development of potentially adequate farms—Sec. 504(b), Housing Act of 1949	706
Homes in rural areas—Secs. 502, 517, 521, 526, Housing Act of 1949	704, 721, 725, 733
Housing and buildings on adequate farms—Secs. 502, 521, Housing Act of 1949	704, 725

INDEX

Rural housing—Continued

Loans—Continued

Housing for low income families—Sec. 722, Economic Opportunity Act of 1964.....	Page 1315
Housing sites for low and moderate income families—Sec. 524, Housing Act of 1949.....	732
Loans and annual contributions to lower income families for homes and buildings on potentially adequate farms—Sec. 503, Housing Act of 1949.....	705
Loans and grants for lower income families for improvements or repairs of homes and buildings—Secs. 501, 504(a), Housing Act of 1949.....	701, 706
Low interest rate loans for homes for low or moderate income families—Secs. 517, 521, Housing Act of 1949.....	721, 725
Mobile homes—and sites—purchase of—Sec. 527, Housing Act of 1949.....	734
Moratorium on payments—Sec. 505, Housing Act of 1949.....	707
Mutual self-help housing at low interest rates—Sec. 523, Housing Act of 1949.....	729
No deficiency judgment where moratorium was granted but foreclosure resulted—Sec. 505, Housing Act of 1949.....	707
Preliminary expenses—planning and obtaining financing for housing for low income persons or families—Sec. 525(b), Housing Act of 1949.....	733
Rental or cooperative housing for elderly of low or moderate income or persons or families of low incomes—Secs. 515, 521, Housing Act of 1949.....	717, 725
Sale of home loans—Sec. 517, Housing Act of 1949.....	721
Treasury borrowings—dollar limit—Sec. 511, Housing Act of 1949.....	713
Local agencies—eligible to participate in any rural housing program—Sec. 501(c), Housing Act of 1949.....	703
Local committees to assist Secretary of Agriculture—Sec. 508, Housing Act of 1949.....	710
Local cooperative associations—eligible for housing assistance—Sec. 744, Economic Opportunity Act of 1964.....	1318
Local political subdivisions:	
Domestic farm labor—payment to of up to 90 percent of development cost of low rent housing for—Sec. 516, Housing Act of 1949.....	719
Rural trainees—advances and technical assistance for provision of housing for—Sec. 522, Housing Act of 1949.....	727
Low income sponsor fund—Sec. 525, Housing Act of 1949.....	732
Mobile homes—loans for purchase of and purchase of sites for—Sec. 527, Housing Act of 1949.....	734
Moratorium on payments under loans—Sec. 505, Housing Act of 1949.....	707
Mutual self-help housing— <i>See</i> Self-help housing.	
National banks—real estate loans—12 U.S.C. 24.....	785
Nonprofit organizations:	
Domestic farm labor housing—payment of up to 90 percent of development cost of low-rent housing for—Sec. 516, Housing Act of 1949.....	719
Housing sites for low and moderate income families—loans—Sec. 524, Housing Act of 1949.....	732
Preliminary expenses of planning and obtaining financing for housing for low income persons or families—Sec. 525(b), Housing Act of 1949.....	733
Rental housing and related facilities for elderly or other persons or families of low income—loans—Secs. 515, 521, Housing Act of 1949.....	717, 725
Rural trainees—advances and technical assistance for provision of housing for—Sec. 522, Housing Act of 1949.....	727
Self-help housing—grants, advances and loans to—Sec. 523, Housing Act of 1949.....	729

INDEX

Rural housing—Continued

Nonprofit organizations—Continued

Technical and supervisory assistance for low-income families—	Page
grants to—Sec. 525, Housing Act of 1949.....	732
Participation loans—7 U.S.C. 1945.....	1292
Policy—Sec. 2, Housing Act of 1949.....	1
Refinancing—Secs. 501, 502(b), Housing Act of 1949; 7 U.S.C. 1923, 1942.....	701, 705, 1277, 1290

Rental housing:

Advances and technical assistance for provision of housing for rural trainees—Sec. 522, Housing Act of 1949.....	727
Assistance payments to owners of rental or cooperative housing to provide housing for low income occupants at rents commensurate with income—Sec. 521(a)(2), Housing Act of 1949; Sec. 236(f), National Housing Act.....	286, 726
Domestic farm labor:	
Grants for housing for—Sec. 516, Housing Act of 1949.....	719
Low interest rate loans and insurance of loans for housing and related facilities—Sec. 514, Housing Act of 1949.....	714
Low interest rate insured loans for housing and related facilities—Sec. 514, Housing Act of 1949.....	714
Payments of up to 90 percent of development cost of low rent housing and related facilities for—Sec. 516, Housing Act of 1949.....	719
Improvements or repairs of existing housing—loans or insurance of loans for rental or cooperative housing for elderly or families of moderate income—Secs. 515 and 521, Housing Act of 1949.....	717, 725
Insured loans for rental or cooperative housing and related facilities for elderly persons or families or other persons and families of moderate incomes—Secs. 515(b), 521, Housing Act of 1949.....	717, 725
Interest reduction payments and insured loans for cooperative housing or rental housing for persons or families of low or moderate income or elderly—Sec. 521, Housing Act of 1949; Sec. 236, National Housing Act.....	286, 725
Interest reduction payments and insured mortgages:	
Farmers Home Administration—Sec. 521, Housing Act of 1949.....	725
Federal Housing Administration—Sec. 236(l), National Housing Act.....	291
Loans—for rental or cooperative housing for elderly of low or moderate income or persons or families of low incomes—Secs. 515, 521, Housing Act of 1949.....	717, 725
Research and technical studies authorized—Sec. 506(b), Housing Act of 1949.....	708
Rural area—definition of—Sec. 520, Housing Act of 1949; 7 U.S.C. 1926.....	724, 1279
Rural Housing Insurance Fund—Secs. 517, 519, 521(c), Housing Act of 1949.....	721, 724, 727
Rural trainees—Financial advances and technical assistance to provision of housing for—Sec. 522, Housing Act of 1949.....	727
Sale of housing loans—Secs. 515(b), 517, Housing Act of 1949; 7 U.S.C. 1929(e).....	717, 721, 1286
Self-help housing:	
Authorization—time and dollar limit—Sec. 523(f), Housing Act of 1949.....	731
Grants for technical assistance, advances for purchase of land options, and low interest rate loans for land acquisition and development and purchase of materials—Sec. 523, Housing Act of 1949.....	729
Servicemen—families of deceased—preference—Sec. 507, Housing Act of 1949.....	709
State agencies—eligible to participate in any rural housing program—Sec. 501(c), Housing Act of 1949.....	703

INDEX

Rural housing—Continued

State-aided housing:	
Domestic farm labor—payments of up to 90 percent of development cost of low rent housing for—Sec. 516, Housing Act of 1949	Page 719
Rural trainees—advances and technical assistance for housing for—Sec. 522, Housing Act of 1949	727
Technical assistance:	
Building plans, supervision and inspection provided without charge—Sec. 506(a), Housing Act of 1949	708
Grants for in aiding needy low income persons or families in benefitting from Federal, State or local housing programs—Sec. 525 (a), Housing Act of 1949	732
Rural trainees' housing—Sec. 522, Housing Act of 1949	727
Self-help housing and mutual housing—grants to nonprofit organizations to provide—Sec. 523, Housing Act of 1949	729
Treasury borrowing by Secretary of Agriculture—Sec. 517(h), 521(c), Housing Act of 1949	721, 727
Veterans—farm background not required—7 U.S.C. 1922	1277
Veterans and servicemen—preference—Sec. 507, Housing Act of 1949	709
Water development—loans and loan insurance—grants—7 U.S.C. 1923, 1926, 1942	1277, 1278, 1290
Rural industrialization—loans, loan insurance, loan guarantees, grants—7 U.S.C. 1932	1287
Savings and loan associations: <i>See</i> : Federal home loan banks; Federal savings and loan associations; Federal Savings and Loan Insurance Corporation	
Secondary market for housing loans: <i>See also</i> : Participation sales; Rural housing—Sale of housing loans; Veterans housing—Sale of housing loans;	
Community Reinvestment, Title VIII of the Housing Community Development Act of 1977	1083
Federal Home Loan Mortgage Corporation:	
Board of Directors composed of—Sec. 303(a), Federal Home Loan Mortgage Corporation Act	687
Capital stock—issued to and owned by Federal home loan banks—Sec. 304(a), Federal Home Loan Mortgage Corporation Act	689
Common stock:	
Limit on purchases by Federal home loan banks—Sec. 304(b), Federal Home Loan Mortgage Corporation Act	689
Purchase by Federal home loan banks—Sec. 304(b), Federal Home Loan Mortgage Corporation Act	689
Conventional mortgages—purchase, sale, etc. of—Sec. 305, Federal Home Loan Mortgage Corporation Act	689
Creation—Title III, Emergency Home Finance Act of 1970 (Federal Home Loan Mortgage Corporation Act)	686
Guarantee of obligations or securities by Federal home loan banks and GNMA—Sec. 306, Federal Home Loan Mortgage Corporation Act	691
Interest subsidy payments to for housing for middle income families—Sec. 243, National Housing Act	302
Member of each Federal home loan bank—Sec. 303(a), Federal Home Loan Mortgage Corporation Act	687
Mortgage operations—purchase, sale, etc.—Sec. 305, Federal Home Loan Mortgage Corporation Act	689
Obligations and securities—Sec. 306, Federal Home Loan Mortgage Corporation Act	691
Private mortgage insurance—required on unpaid balances of mortgages purchased by—Sec. 305(a)(2), Federal Home Loan Mortgage Corporation Act	690
Securities:	
Guarantee of by Federal home loan banks—Sec. 306(c), Federal Home Loan Mortgage Corporation Act	692
Mortgage backed and guaranteed by GNMA—Sec. 306, Federal Home Loan Mortgage Corporation Act	691
Other securities—Sec. 306, Federal Home Loan Mortgage Corporation Act	691

INDEX

Secondary market for housing loans—Continued

Federal Home Loan Mortgage Corp.—Continued

Securities—Continued

Tax exempt—Sec. 303 (d), Federal Home Loan Mortgage Corpora- tion Act.....	Page 688
---	-------------

Federal National Mortgage Association:

Audit—Sec. 309 (h), National Housing Act.....	671
---	-----

Capital contributions by mortgage sellers and servicers—Sec. 303, National Housing Act.....	652
--	-----

Conventional mortgages—authority to purchase and sell—Sec. 302 (b) (2), National Housing Act.....	649
--	-----

Creation—in Department of Housing and Urban Development— Sec. 302, National Housing Act.....	646
---	-----

Employees:

Civil Service provisions—Sec. 309 (d) (2), National Housing Act.....	669
---	-----

Transitional provisions—Sec. 810 (d), Housing and Urban Development Act of 1968.....	684
---	-----

Interest subsidy payments to for housing for middle-income fam- ilies—Sec. 243, National Housing Act.....	302
--	-----

Lending authority—Sec. 302 (b), 304, National Housing Act....	647, 654
---	----------

Mortgage-backed securities issued by—Sec. 304 (d), National Housing Act.....	657
---	-----

Mortgages eligible for purchase—Sec. 302 (b), 304, National Hous- ing Act.....	647, 654
---	----------

Obligations of—Secs. 304, 311, National Housing Act.....	654, 671
--	----------

Participation sales:

Sec. 302 (c) (2), National Housing Act.....	650
---	-----

Sec. 6, 9, Participation Sales Act of 1966.....	694
---	-----

Department of Labor, and Health, Education, and Welfare Appropriation Act, 1968.....	697
---	-----

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1968.....	698
--	-----

Independent Offices Appropriation Act, 1967.....	695
--	-----

Partition into 2 corporations—FNMA and GNMA—Title III, National Housing Act; Title VIII, Housing and Urban Develop- ment Act of 1968.....	645, 683
---	----------

Purchase of Energy Conserving Improvement Loans to Low- and Moderate-Income Families, Sec. 314 of the National Housing Act.....	676
---	-----

Regulatory power of Secretary of HUD—Sec. 309 (h), National Housing Act.....	671
---	-----

Review and study, financial operations, under title III, Sec. 309 (h), National Housing Act.....	671
---	-----

Securities—guaranteed by GNMA—Sec. 306 (g), National Housing Act.....	665
--	-----

Self-supporting—Sec. 304, National Housing Act.....	654
---	-----

Special assistance—Sec. 1006, Demonstration Cities and Metro- politan Development Act of 1966.....	684
---	-----

Treasury purchase of obligations of—Sec. 304 (e), National Hous- ing Act.....	656
--	-----

Government National Mortgage Association:

Authorization—dollar limit—Sec. 313 (g), National Housing Act..	675
---	-----

Authorization—expiration date—Sec. 3 (b), Emergency Home Purchase Assistance Act of 1974.....	682
--	-----

Creation—in Department of Housing and Urban Development— Sec. 302, National Housing Act.....	594
---	-----

Establishment of position of President of GNMA Sec. 308, Na- tional Housing Act.....	666
---	-----

Authorization of rights powers and duties of President of GNMA—Housing Authorization Act of 1976.....	412
--	-----

Federally-owned mortgages eligible for purchase by—Sec. 306 (e) National Housing Act; Sec. 306, Housing Act of 1959.....	665, 682
---	----------

INDEX

Secondary market for housing loans—Continued

Government National Mortgage Association—Continued

Guarantee of mortgage-backed securities:

Federal Financing Bank can purchase such securities—Sec. 313(d), National Housing Act..... Page 674

Federal Reserve Banks can purchase such securities—Sec. 313(d), National Housing Act..... 674

Issued by FHLMC—Sec. 306, Federal Home Loan Mortgage Corporation Act..... 663

Issued by FNMA—Sec. 306(g), National Housing Act..... 665

Issued by GNMA—Sec. 313(d), National Housing Act..... 674

Mortgage-backed securities—Sec. 313(d), National Housing Act..... 674

Mortgages eligible for purchase—Secs. 302(b), 306(e), 313, National Housing Act; Sec. 306, Housing Act of 1959. (Section 313 of National Housing Act added by section 3 of Emergency Home Purchase Assistance Act of 1974 and amended by Title II Emergency Housing Act of 1975)..... 647, 665, 672, 682

Obligations:

Issued by GNMA—Secs. 306, 313, National Housing Act.... 663, 672

Purchase from HUD—Sec. 306(e), National Housing Act.... 665

Participation sales—Sec. 302(c), National Housing Act..... 650

Privately insured mortgages eligible for purchase—Sec. 313(b), National Housing Act..... 672

Servicing and sale of mortgages purchased from Federal agencies—Sec. 306, Housing Act of 1959..... 682

Special assistance functions—Secs. 302(b), 305, National Housing Act..... 647, 658

"Tandem"—Sec. 305(j), National Housing Act..... 662

Transfer to Department of Housing and Urban Development—Sec. 5(b), Department of Housing and Urban Development Act..... 11

Treasury borrowings—Sec. 305(d), 313(c) National Housing Act..... 659, 673

Neighborhood Reinvestment Corporation Act, Title VI, Housing and Community Development Amendments of 1978..... 1086-1090

Participation sales—rural obligations—7 U.S.C. 1932..... 1287

Rural—notes and mortgages—7 U.S.C. 1988..... 1299

Sale of beneficial ownerships in rural obligations—7 U.S.C. 1932..... 1287

Senior Citizens Housing of 1962—Sec. 2..... 467

Servicemen: *See*: Housing mortgage and loan insurance; Military housing;

Rent supplements; Rural housing

Shorelines: *See*: Flood Insurance

Slum clearance: *See also*: Urban renewal

Block grants—Community development—Title I, Housing and Community Development Act of 1974..... 1047

Small business: *See also*: Economic development

Small Business Administration:

Loans to finance plant construction, expansion, etc.—Small Business Act..... 1349

Participation loans—national banks—required to be classified as commercial loans—Sec. 24(e) Federal Reserve Act, 12 U.S.C. 371..... 793

Participation sales authority—Departments of State, Justice and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1968..... 698

Technical assistance by HUD to contractors whose bonds are guaranteed by Small Business Adm., Sec. 911(b), Housing and Urban Development Act of 1970..... 556

Small Business Act..... 1349

Solar energy: *See also*: Demonstrations; Housing mortgage and loan insurance; Research

Authorizations—dollar limits—research and demonstrations—Sec. 19, Solar Heating and Cooling Demonstration Act of 1974..... 520

Housing cost limits or loan limits increased by cost of—Sec. 13, Solar Heating and Cooling Demonstration Act of 1974..... 518

Solar Heating and Cooling Demonstration Act of 1974..... 509

Solar Energy and Weatherization Study, Sec. 311, GI Bill Improvement Act of 1977..... 776

Southeast Hurricane Disaster Relief Act of 1965..... 1466

INDEX

State-aided housing:	Page
Domestic farm labor—payments of up to 90 percent of development cost of low-rent housing for—Sec. 516, Housing Act of 1949-----	719
Elderly or handicapped—Federal loans for—Sec. 202, Housing Act of 1959-----	461
Interest reduction payments and mortgage insurance for homeowners and for rental housing for lower income families—Secs. 235, 236, National Housing Act-----	276, 285
Land for—transfer of surplus Federal land to HUD for sale or lease for—Sec. 414, Housing and Urban Development Act of 1969-----	27
Rural trainees—advances and technical assistance for housing for—Sec. 522, Housing Act of 1949-----	727
Solar heating and cooling demonstrations—encouragement to State and local participation—Sec. 15(c), Solar Heating and Cooling Demonstration Act of 1974-----	519
State or local public body eligible for mortgage insurance on low or moderate income housing—Sec. 221(d), National Housing Act-----	234
Urban homesteading—Sec. 810, Housing and Community Development Act of 1974-----	491
State housing and development agencies: <i>See also</i> : State-aided housing.	
Appalachian Region—preliminary expenses for planning and obtaining financing for housing—loans and grants—Sec. 207, Appalachian Regional Development Act of 1965-----	1327
Assistance payments—rental housing for lower income families—Sec. 236(f), National Housing Act-----	286
Discretionary fund—community development—Sec. 107, Housing and Community Development Act of 1974-----	1070
Domestic farm labor—housing for—payments of up to 90 percent of development cost—Sec. 516, Housing Act of 1949-----	719
Housing mortgage and loan insurance—eligible for—Secs. 207, 220, 221, 235, 236, National Housing Act-----	202, 285
Interest reduction payments and mortgage insurance for housing for lower income families—Secs. 235, 236, National Housing Act-----	276, 285
Investments in and loans to by Federal savings and loan associations—12 U.S.C. 1464(c), 1469-----	810, 829
New communities—	
Grants to development agencies for public services prior to completion—Sec. 715, National Urban Policy and New Community Development Act of 1970-----	871
Loans for—Sec. 714, National Urban Policy and New Community Development Act of 1970-----	870
Obligations of:	
Guarantee—Sec. 802, Housing and Community Development Act of 1974; Sec. 713, National Urban Policy and New Community Development Act of 1970-----	571, 869
Grants to cover ⅓ of interest on—Sec. 802, Housing and Community Development Act of 1974-----	571
Income from guaranteed obligations subject to Federal taxation—Sec. 802(c)(3), Housing and Community Development Act of 1974-----	572
Planning assistance to development agencies—Sec. 720, National Urban Policy and New Community Development Act of 1970-----	874
Public facilities—grants to development agencies for—Secs. 715, 718, National Urban Policy and New Community Development Act of 1970-----	871, 872
Rural housing:	
Domestic farm labor—housing for—payments of up to 90 percent of development cost—Sec. 516, Housing Act of 1949-----	719
Eligible to participate in any program—Sec. 510(c), Housing Act of 1949-----	711
Technical assistance to by Secretary of HUD—Sec. 106(f), Housing and Community Development Act of 1974; Sec. 719, National Urban Policy and New Community Development Act of 1970-----	873, 1066
Urban renewal—encouraged—Sec. 101(b), Housing Act of 1949-----	1104
Veterans housing—HUD insured mortgages for sale of housing provided by—Sec. 610, National Housing Act-----	334

INDEX

Studies, surveys, and reports: *See also*: Demonstrations; Research; Technology; Annual report by Secretary of Housing and Urban Development.

Airports—damage to adjacent homeowners—Sec. 1113, Housing and Urban Development Act of 1965.....	Page 523
Study of Problems Caused by Remote Claims, Sec. 509, Housing and Community Development Amendments of 1978.....	736
Study on Emergency Potable Water and Sewage Program, Sec. 508, Housing and Community Development Amendments of 1978.....	736
Study on Small Cities, Sec. 113, Housing and Community Development Act of 1977.....	1081
Annual reports required:	
Abandoned structures and housing—demonstration projects for alleviation and prevention—Sec. 505, Housing and Urban Development Act of 1970.....	505
Coastal zones—Sec. 313, Coastal Zone Management Act of 1972.....	971
Co-insurance program—Sec. 244, National Housing Act.....	304
Community development—communities receiving block grants to report—Sec. 104(d), Housing and Community Development Act of 1974.....	1057
Community development corporations—Secretary of Agriculture to report—Sec. 744(b), Economic Opportunity Act of 1964.....	1319
Secretary of HUD to report—Sec. 817, Housing Act of 1954.....	6
Activities Report, Sec. 8, Department of Housing and Urban Development Act.....	17
Secretary of HUD to report—Sec. 113(a), Housing and Community Development Act of 1974.....	1076
Environmental Quality Report—Sec. 201, National Environmental Policy Act of 1969.....	1392
Federal Financing Bank—Sec. 13, Federal Financing Bank Act of 1973.....	836
Federal Home Loan Bank Board—12 U.S.C. 1437.....	806
Flood insurance—Secs. 1320, 1371, Housing and Urban Development Act of 1968.....	1262, 1274
Inspector General's Semi Annual Reports, Sec. 5 of the Inspector General Act of 1978.....	167
Mobile homes—construction and safety standards—Sec. 626, National Mobile Home Construction and Safety Standards Act of 1974.....	642
National Homeownership Foundation—Sec. 107(f), Housing and Urban Development Act of 1968.....	543
National Housing Partnerships Corporation—Sec. 908, Housing and Urban Development Act of 1968.....	843
National Institute of Building Sciences—Sec. 809(i), Housing and Community Development Act of 1974.....	163
Relocation assistance and real property acquisition—Sec. 214, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1343
Rural development and housing—7 U.S.C. 2204(b).....	1308
Rural development planning—joint report by Secretaries of HUD and Agriculture—Sec. 901(c), Agricultural Act of 1970.....	1309
Technical services—reports by Federal agencies providing—Sec. 304, Intergovernmental Cooperation Act of 1968.....	889
National Urban Policy—Sec. 703, Housing and Urban Development Act of 1970.....	865
Clean Air Act—parking supplies, bus-carpool arrangements—Clean Air Act.....	985
Codes, zoning, tax policies, and development standards—Sec. 301, Housing and Urban Development Act of 1965.....	523
Community development—report by Secretary of HUD recommending changes in allocation of funds—Sec. 106(1), Housing and Community Development Act of 1974.....	1070
Condominiums and cooperatives—study and report to Congress—Sec. 821, Housing and Community Development Act of 1974.....	521
Congressional review of programs—Title VI, Intergovernmental Cooperation Act of 1968.....	893

INDEX

Annual reports required—Continued

Crime insurance:

Studies of reinsurance and other programs by Secretary of HUD and report—Secs. 1245, 1246, National Housing Act.....	Page 1243
Termination of—report by Secretary of HUD—Sec. 1201(b) (2), National Housing Act.....	1230
Department of Housing and Urban Development programs—Title V, Housing and Urban Development Act of 1970.....	503
Direct financing—to be used in lieu of FHA Sec. 236 interest reduction payments and loan guarantees and interest reduction payments for State-aided housing under Sec. 802, Federal Financing Bank—Sec. 822, Housing and Community Development Act of 1974.....	521
Direct loans—study of as compared to guaranteed or insured loans—Sec. 8, Participation Sales Act of 1966.....	522
Earthquake Hazards Reduction Program, Sec. 5 of the Earthquake Hazards Reduction Act of 1977.....	1480
Emergency Housing Act of 1975—reports every 60 days on effects of—Sec. 111, Emergency Housing Act of 1975.....	458
Environmental studies, urban—Sec. 1011, Demonstration Cities and Metropolitan Development Act of 1966.....	528
Fair housing—discriminatory housing practices—Sec. 808, Civil Rights Act of 1968.....	589
Fire prevention and control—Sec. 101, Title II, Fire Research and Safety Act of 1968.....	531
FNMA—Review and study of financial operations of—Sec. 309(h) of the National Housing Act.....	671
Grants-in-aid programs—Congressional reviews—Title VI, Intergovernmental Cooperation Act of 1968.....	893
Guarantee of General Insurance Fund of FHA—report to Banking and Currency Committees of each instance required—Sec. 803(b) (2), National Housing Act.....	346
Homeownership by lower income families—National Homeownership Foundation—Sec. 107, Housing and Urban Development Act of 1968.....	539
Housing for lower income families—National Advisory Commission on Low Income Housing—Sec. 110, Housing and Urban Development Act of 1968.....	545
Housing allowance payments—demonstrations—Sec. 504, Housing and Urban Development Act of 1970.....	605
Housing policies and programs, residential design and materials, housing market—Sec. 602, Housing Act of 1956.....	525
Housing techniques, housing market data, urban needs, etc.—Title III, Housing Act of 1948.....	523
HUD loan insurance programs—Sec. 209, National Housing Act.....	210
Indian and Alaska Native housing, Sec. 4(d) (2) of the Department of Housing and Urban Development Act.....	11
Insurance protection against foreclosure of home mortgages—Sec. 109, Housing and Urban Development Act of 1968.....	545
Interest rates and supply of mortgage credit:	
Commission to study and report—Sec. 4, Public Law 90-301.....	380
Funds for Commission—Sec. 1604, Housing and Urban Development Act of 1968.....	385
Joint funding—President to report to Congress by Feb. 1979 on actions taken—Sec. 11, Joint Funding Simplification Act of 1974.....	79
Mobile homes—construction and safety standards—annual report to Congress by Secretary of HUD—Sec. 626, National Mobile Home Construction and Safety Standards Act of 1974.....	642
Mortgage settlement costs—HUD and VA—study and report to Congress—Sec. 701, Emergency Home Finance Act of 1970.....	625
Neighborhood Reinvestment Corporation, Title VI, Sec. 607(a), Housing and Community Development Amendments of 1978.....	1089
New techniques:	
Federal land for use of—Sec. 108, Housing and Urban Development Act of 1968.....	544
Housing and urban—study, tests, and assistance to application—Sec. 1010, Demonstration Cities and Metropolitan Development Act of 1966.....	526
Housing techniques—Title III, Housing Act of 1948.....	523

INDEX

Annual reports required—Continued

Organization of housing and urban development functions and programs—President's study—Sec. 5, Department of Housing and Urban Development Act.....	Page 11
Public housing—impact of children living in on local educational agencies—Sec. 111, Elementary and Secondary Education Amendments of 1967.....	529
Real estate settlement procedures—need for further legislation—Secretary of HUD—Sec. 14, Real Estate Settlement Procedures Act of 1974.....	623
Rent supplements—experimental—Sec. 101(j), Housing and Urban Development Act of 1965.....	489
Rural housing—construction materials and methods, adequacy of farm housing, needs for—grants for research and studies—Sec. 506, Housing Act of 1949.....	708
Rural village study on adequate sanitation services. Sec. 113 of the Federal Water Pollution Control Act Amendment of 1972.....	994
Seasonal unemployment in construction industry—Sec. 402, Manpower Development and Training Act of 1962.....	530
Section 8 Housing for Large Families, Sec. 208, Housing and Community Development Amendments of 1978.....	452
Self-help studies—report to Congress—Sec. 1714, Housing and Urban Development Act of 1968.....	509
Small cities study, Sec. 113, Housing and Community Development Act of 1977.....	1081
Solar energy—reports to Congress on demonstration projects—Sec. 506, Housing and Urban Development Act of 1970.....	507
Solar energy—heating and cooling systems—Solar Heating and Cooling Demonstration Act of 1974.....	509
Urban renewal housing requirements—reports to Banking and Currency Committees of waivers of—Sec. 105(f), Housing Act of 1949.....	1116
Right to Financial Privacy, Right to Financial Privacy Act of 1978.....	848-862
Sewage collection system, Funding Sec. 78—Excerpt from the Clean Water Act of 1977.....	995
Supplemental Appropriation Act, 1953—public housing—restriction.....	448
Supplemental Appropriation Act, 1966—urban renewal.....	1147
Supplemental Appropriation Act, 1967—urban renewal.....	1148
Supplemental Appropriations Act, 1975.....	98
Supplemental Appropriations Act, 1976.....	125
Supplemental Appropriations Act, 1977.....	89
Supplemental loans—HUD insurance:	
Condominiums—Sec. 234, National Housing Act.....	272
Cooperatives—Secs. 213(j), 236, National Housing Act.....	285
Group practice facilities—Sec. 242, National Housing Act.....	300
Hospitals—Sec. 242, National Housing Act.....	300
Nursing Homes—Sec. 232, National Housing Act.....	267
Rental housing—Sec. 236, National Housing Act.....	285
Surplus Federal real property: <i>See also</i> : Property disposal	
Federally-acquired housing:	
Public housing—Sec. 12, old U.S. Housing Act of 1937.....	429
Urban homesteading—Sec. 810, Housing and Community Development Act of 1974.....	491
Replacement housing—Sec. 218, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1344
Transfers for housing use:	
Housing for lower income families:	
Transfer of to HUD for use by local public agencies—Sec. 108, Housing Act of 1949; Executive Order 11609.....	1121
Transfer of to HUD for sale or lease for housing for—Sec. 414, Housing and Urban Development Act of 1969.....	27
Rural housing—transfer by President to Secretary of Agriculture for rural housing, community facilities, etc.—7 U.S.C. 1990.....	1301
Urban lands—Sec. 803, Intergovernmental Cooperation Act of 1968.....	891
Tax provisions:	
Credit for purchase of new principal residence—Sec. 208, Tax Reduction Act of 1975.....	776
Investment Tax Credit on Used Property, Revenue Act of 1978.....	780
Crime insurance—property acquired by HUD as a result of is taxable—Sec. 1250, National Housing Act.....	1244

INDEX

Surplus Federal real property—Continued

Tax provisions—Continued

Guaranteed obligations of State housing and development agencies subject to Federal taxation—Secs. 802(c) (3), 802(h) (2), Housing and Community Development Act of 1974; Sec. 727(g), National Urban Policy and New Community Development Act of 1970.....	572, 574, 877
Housing for lower income families assisted by State tax abatements—interest reduction payments and mortgage insurance available for—Sec. 235, National Housing Act.....	276
HUD-acquired property taxable—Sec. 7, National Housing Act	181
Interest income from HUD debentures subject to taxes—Sec. 204, National Housing Act.....	194
Interest income from guaranteed loans subject to income tax—Sec. 108(g) Housing and Community Development Act of 1974.....	1073
Interest income from insured rural loans subject to income tax—7 U.S.C. 1926.....	1278
Interest income from insured rural development loans subject to income tax—7 U.S.C. 1929a (h)	1282
Land acquired under mortgage insurance program for land development not to be tax exempt—Sec. 1012, National Housing Act.....	372
New communities—no real property tax exempt—Sec. 411, Housing and Urban Development Act of 1968.....	883
Payments in lieu of taxes:	
HUD-acquired armed services housing—Sec. 811, National Housing Act.....	357
HUD-acquired property—Sec. 7(i), Department of Housing and Urban Development Act.....	14
Public housing—Sec. 6(d), U.S. Housing Act of 1937; Sec. 10(h), old U.S. Housing Act of 1937.....	400, 426
Urban renewal—Sec. 110(e), Housing Act of 1949.....	1129
Public housing—obligations of public housing agencies tax exempt—Sec. 11, U.S. Housing Act of 1937; Sec. 5(d), old U.S. Housing Act of 1937.....	409, 419
Relocation payments tax free—Sec. 216, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1344
Rental housing assisted by interest reduction payments—initial taxes paid—Sec. 236(f), National Housing Act.....	286
Rollover of Gain on Sale of Principal Residence, Sec. 405(c), Revenue Code of 1978.....	784
Tax exemptions:	
HUD debentures (with certain exceptions)—Secs. 8(g), 204, 207, 604(d), National Housing Act.....	184, 194, 202, 323
Federal Home Loan Banks—obligations of—12 U.S.C. 1433.....	805
Federal Home Loan Mortgage Corporation—Sec. 303(d), Federal Home Loan Mortgage Corporation Act.....	688
National Insurance Development Fund—Sec. 1250, National Housing Act.....	1244
One-time Exclusion of Gain from Sale of Principal Residence by Individual who has Attained age 55, Sec. 404, Revenue Act of 1978.....	783
Public housing agency obligations tax exempt—Sec. 11, U.S. Housing Act of 1937; Sec. 5(d), old U.S. Housing Act of 1937	409, 419
Tax exempt status of bonds or obligations not to permit limiting or withholding Federal assistance under certain programs—Sec. 817, Housing and Community Development Act of 1974.....	23
Taxation of property subject to a lien held by the United States or acquired or held by the Secretary, Sec. 528, Housing Act of 1949.....	734
Tax Reduction Act of 1975—credit for purchase of new residence	776
Taxes, Study of payment in lieu of, under Sec. 6(d) of the United States Housing Act of 1937.....	400

INDEX

Surplus Federal real property—Continued	
Tax provisions—Continued	Page
Waiver of Certain 18-Month Rules of Sec. 1034 When Sale of Residence is Connected with Commencing Work at New Place, Sec. 405, Revenue Act of 1978.....	783
Technical assistance:	
Contractors—by HUD to small contractors whose bonds are guaranteed by the Small Business Administration—Sec. 911 (b), Housing and Urban Development Act of 1970.....	556
Disaster relief—Secs. 201, 202, 305, Disaster Relief Act of 1974; Sec. 805, Public Works and Economic Development Act of 1965.....	1427, 1428, 1430, 1446
Economic development—to Regional Commissions—Sec. 505, Public Works and Economic Development Act of 1965.....	1324
Economic development programs—Secs. 713, 741, Economic Opportunity Act of 1964.....	1313, 1317
Energy Conservation, Sections 308 and 416, Energy and Production Act.....	1003, 1011
Flood insurance—identification of flood prone areas—Sec. 1360, Housing and Urban Development Act of 1968.....	1268
Model cities—Title I, Demonstration Cities and Metropolitan Development Act of 1966.....	1167
Nondiscrimination in housing—by Secretary of HUD to Federal, State, and local and other agencies carrying on nondiscrimination—Secs. 808, 809, Civil Rights Act of 1968.....	589, 590
Rural housing:	
Building plans, supervision and inspection—no charge—Sec. 506 (a), Housing Act of 1949.....	708
Rural trainees' housing—Sec. 522, Housing Act of 1949.....	727
Small communities—grants to States to provide urban information and technical assistance to—Sec. 902, Demonstration Cities and Metropolitan Development Act of 1966.....	554
Small contractors—whose bonds are guaranteed by the Small Business Administration—by HUD—Sec. 911, Housing and Urban Development Act of 1970.....	556
States—grants to States to provide to small communities—Sec. 902, Demonstration Cities and Metropolitan Development Act of 1966.....	554
State and local governments:	
Federal provision of—Circular A-97, Office of Management and Budget; Title III, Intergovernmental Cooperation Act of 1968.....	888, 942
HUD provision of technical assistance—Sec. 806, Housing Act of 1964, as amended.....	552
Water quality control—Federal Water Control Act Amendments of 1972.....	991
Technology: See also: Demonstrations; Housing mortgage and loan insurance, FHA-manufacture of housing; Research; Studies, surveys and reports; Technical assistance	
Model cities—maximum use of new—Sec. 103 (b), Demonstration Cities and Metropolitan Development Act of 1966.....	1169
Federal Coordinating Council for Science, Engineering and Technology, Sec. 401 of National Science and Technology Policy, Organization and Priorities Act of 1976.....	154
National Institute of Building Sciences—Sec. 809, Housing and Community Development Act of 1974.....	159
Urban renewal—use of new encouraged—Sec. 101 (a), Housing Act of 1949.....	1103
Tennessee Valley Authority Housing—Mortgage insurance or sale of—Sec. 223, National Housing Act.....	254
Territorial Enabling Act of 1950.....	495
Territories:	
Alaska—Urban renewal—Public Law 615, 81st Congress.....	495
Consolidation of grants, Sec. 501, Territories of the United States Appropriation Authorization, Public Law 95-134.....	501
Community development:	
Block grants—Title I, Housing and Community Development Act of 1974.....	1047

INDEX

Consolidation of grants, Sec. 501, Territories of the United States Appropriation Authorization, Public Law 95-134—Continued	Page
Hawaii—Urban renewal—Public Law 615, 81st Congress.....	495
Puerto Rico:	
HUD mortgage insurance—Sec. 201(d), National Housing Act....	184
HUD yield insurance—rental housing—Sec. 713(q), National Housing Act.....	345
Housing finance and development agencies eligible for aid—Sec. 802, Housing and Community Development Act of 1974.....	571
Public housing—enabling act—Public Law 745, 75th Congress....	498
Rural housing assistance—Title V, Housing Act of 1949.....	701
Urban renewal—Public Law 615, 81st Congress.....	495
Territorial Enabling Act of 1950.....	495
Virgin Islands:	
Bonds—authority to issue for public works, public housing, urban renewal, etc.—Public Law 418, 81st Congress.....	499
Housing finance and development agencies eligible for aid—Sec. 802, Housing and Community Development Act of 1974.....	571
Urban renewal—public housing—enabling Act—Public Law 615, 81st Congress.....	495
Training:	
Economic development—Sec. 741, Economic Development Act of 1964; Sec. 505, Public Works and Economic Development Act of 1965....	1317, 1324
Fair housing—educational activities—Secs. 808(e)(3), 809, Civil Rights Act of 1968.....	590
Fellowships—housing, planning and community development, etc. Sec. 802, Housing Act of 1964.....	549
Mobile homes—construction and safety standards—Sec. 608, National Mobile Home Construction and Safety Standards Act of 1974.....	631
State and local bodies—assistance by HUD—to provide training in housing, and community development—Sec. 806, Housing Act of 1964.....	552
States and educational institutions for training and research in housing, planning, community development, etc.—grants—Secs. 803, 804, Housing Act of 1964.....	550, 551
Transportation: <i>See also:</i> Urban mass transportation	
Air quality standards, maintenance of—Clean Air Act.....	985
Comprehensive planning—grants—Sec. 701, Housing Act of 1954....	977
Urban renewal—Sec. 110(b), Housing Act of 1949.....	1122
Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.....	1335
United States Coast Guard: <i>See:</i> Military housing	
United States Housing Act of 1937, as amended—	
Sec. 201, Housing and Community Development Act of 1974.....	391
United States Housing Authority: <i>See:</i> Administration—Department of Housing and Urban Development Act; Public housing	
Urban and Community Impact Analyses, Executive Order 12074.....	1044
Urban beautification:	
Program—Title VII, Housing Act of 1961.....	1175
Termination of program—Sec. 116, Housing and Community Development Act of 1974.....	1077
Urban development: <i>See also:</i> Community development; Community facilities; Land development; Model cities; Urban Renewal	
Block grants—Title I, Housing and Community Development Act of 1974.....	1047
Coordination of—Title IV, Intergovernmental Cooperation Act of 1968.....	889
Coordination of Federal urban programs—Executive Order 11297....	156
Department of Housing and Urban Development Act.....	2
Environmental standards—Office of Management and Budget—Circular A-95.....	911
Federal acquisition of land—Title II, Intergovernmental Cooperation Act of 1968.....	887

Urban development—Continued	Page
Federal disposal of land—Title V, Intergovernmental Cooperation Act of 1968 (Federal Urban Land Use Act)-----	891
Grants—Title II, Demonstration Cities and Metropolitan Development Act of 1966-----	1025
Grants—to severely distressed cities and urban counties, Sec. 119, of Housing and Community Development Act of 1974-----	1078
Inner city areas—Sec. 740, Housing and Urban Development Act of 1970 (National Urban Policy and New Community Development Act of 1970)-----	878
Model cities program:	
Grants and technical assistance—Title I, Demonstration Cities and Metropolitan Development Act of 1966-----	1167
Termination of program—Sec. 116, Housing and Community Development Act of 1974-----	1077
National Urban Policy and New Community Development Act of 1970 (Title VII, Housing and Urban Development Act of 1970) --	863
Policy—Sec. 2, Housing Act of 1949-----	1
Training and fellowship programs:	
Fellowships—Sec. 802, Housing Act of 1964-----	549
Grants—Secs. 803, 804, Housing Act of 1964-----	550, 551
Urban information and technical assistance to small communities—grants to States to provide—Sec. 902, Demonstration Cities and Metropolitan Development Act of 1966-----	554
Urban land utilization—Title VIII, Intergovernmental Cooperation Act of 1968-----	891
Urban homestead programs:	
Authorization—dollar limit—Sec. 810(g), Housing and Community Development Act of 1974-----	492
Federally-owned housing—transfer for—Sec. 810, Housing and Community Development Act of 1974-----	491
Rehabilitation loans—Sec. 312, Housing Act of 1964-----	479
Urban Mass Transportation Act of 1964—Sec. 7—Relocation requirements and payments-----	1363
Urban Mass Transportation Administration—Established—Reorganization Plan No. 2 of 1968. Also, see Research-----	1040
Urban Mass Transportation Assistance Act of 1970—Sec. 11—Saving provision-----	1039
Urban Property Protection and Reinsurance Act of 1968-----	1228
Urban renewal: See also: Relocation	
Abandoned structures and housing—demonstration of alleviation and prevention—grants—Sec. 505, Housing and Urban Development Act of 1970-----	505
Advances—Title I, Housing Act of 1949-----	1103
Appropriation Act—limits on grants, excerpt from Independent Offices Appropriation Act, 1966-----	1147
Close-out of incomplete projects—Sec. 106(i), Housing Act of 1949--	1120
Code enforcement:	
Grants—Sec. 117, Housing Act of 1949-----	1142
Required—Secs. 101, 110, Housing Act of 1949-----	1103, 1122
Colleges—Sec. 112, Housing Act of 1949-----	1134
Community development—block grants—Title I, Housing and Community Development Act of 1974-----	1047
Community facilities—temporary loans—Sec. 102(b), Housing Act of 1949-----	1051
Community renewal programs—grants—Sec. 103(d), Housing Act of 1949-----	1053
Condemnees—compensation—Title IV, Housing and Urban Development Act of 1965-----	1358
Continuation of projects—Sec. 312, Housing Act of 1954; Secs. 105, 116, Housing and Community Development Act of 1974-----	1146, 1060, 1077
Demolition grants—Sec. 116, Housing Act of 1949-----	1141
Demonstration cities—grants to—Sec. 103, Housing Act of 1949-----	1110
Demonstrations—grants—Sec. 314, Housing Act of 1954-----	1146
Disaster areas—Sec. 111, Housing Act of 1949-----	1133
General neighborhood renewal plans—Sec. 102, Housing Act of 1949--	1105
Grants to settle loans—Sec. 112, Housing and Community Development Act of 1974-----	1075

INDEX

Urban renewal—Continued

	Page
Grants—Title I, Housing Act of 1949.....	1103
Grants—appropriation Acts limits, excerpt from Independent Offices Appropriation Act, 1966.....	1147
Historic preservation—Sec. 110, Housing Act of 1949.....	1122
Hospitals—Sec. 112, Housing Act of 1949.....	1134
Hotels—limits on construction—Sec. 106(g), Housing Act of 1949.....	1119
Housing:	
Mortgage insurance for—Sec. 220, National Housing Act.....	223
Property for—Secs. 107, 110, Housing Act of 1949.....	1122
Reports on waivers of housing requirements—Sec. 105(f), Housing Act of 1949.....	1116
Requirements—Sec. 105, Housing Act of 1949.....	1114
Indians—workable program requirement different—Sec. 101(c), Housing Act of 1949.....	1104
Interest rates on loans to public agencies—conflicts between Federal and State laws—Sec. 702, Emergency Home Finance Act of 1970.....	700
Interest subsidy payments—supplemental grants—Sec. 102, Housing Act of 1949.....	1105
Interim assistance grants—Sec. 118, Housing Act of 1949.....	1142
Labor standards—Sec. 109, Housing Act of 1949.....	1122
Loans—Title I, Housing Act of 1949.....	1103
Local grants-in-aid—Secs. 104, 110(d), 112, 133, Housing Act of 1949.....	1114, 1127, 1134, 1144
National Commission on Neighborhoods, National Neighborhood Policy Act.....	1099
Neighborhood development programs:	
Authority—Part B, Title I, Housing Act of 1949.....	1143
Condemnees—compensation—Title IV, Housing and Urban Devel- opment Act of 1965.....	1358
Terminated—Sec. 116, Housing and Community Development Act of 1974.....	1077
Trenton, N.J.—Sec. 820, Housing and Community Development Act of 1974.....	1149
Open land projects:	
Exception to prohibition—Sec. 103(a), Housing Act of 1949.....	1110
Prohibited—Sec. 103(a), Housing Act of 1949.....	1110
Payments in lieu of taxes, Sec. 110(e), Housing Act of 1949.....	1129
Planning—Secs. 102, 105, 110, Housing Act of 1949.....	1105, 1114, 1122
Predominantly residential requirement—Secs. 110(c), 111, 112, 113, Housing Act of 1949.....	1123, 1133-1136
Public housing—real property for—Sec. 107, Housing Act of 1949.....	1120
Redevelopment areas—Sec. 113, Housing Act of 1949.....	1136
Rehabilitation:	
Grants—Sec. 115, Housing Act of 1949.....	1139
Loans—Sec. 312, Housing Act of 1964.....	479
Urban renewal project may involve—Sec. 110(c), Housing Act of 1949.....	1123
Relocation:	
Assistance requirements—Sec. 105(c), Housing Act of 1949.....	1115
Biannual review—Sec. 105(c), Housing Act of 1949.....	1115
Payments—Sec. 114, Housing Act of 1949; Sec. 217, Uniform Relo- cation Assistance and Real Property Acquisition Policies Act of 1970.....	1137, 1344
Riot areas—Sec. 111, Housing Act of 1949.....	1133
Sewer system requirements—Sec. 105(g), Housing Act of 1949.....	1117
States—limits on funds—Sec. 106(e), Housing Act of 1949.....	1119
Surplus Federal real property—Sec. 108, Housing Act of 1949.....	1121
Termination of urban renewal program—Sec. 116, Housing and Com- munity Development Act of 1974.....	1077
Training and fellowship programs—Title VIII, Housing Act of 1964.....	549
Transportation—Sec. 110(b), Housing Act of 1949.....	1122
Universities—Sec. 112, Housing Act of 1949.....	1134
Urban renewal fund—Sec. 100, Housing Act of 1949.....	1103
Urban renewal project defined—Sec. 110(c), Housing Act of 1949.....	1123
Workable program for community improvement—required—Sec. 101(c), Housing Act of 1949.....	1104

INDEX

Urban Studies Fellowship Advisory Board—Sec. 802(b), Housing Act of 1964	Page 550
Urban transportation: <i>See also</i> : Relocation; Urban mass transportation	
Condemnees—compensation—Title IV, Housing and Urban Development Act of 1965	1358
Cooperation and consultation with Secretary of Housing and Urban Development—Sec. 4, Department of Transportation Act	1033
Demonstrations—high-speed ground transportation—23 U.S.C. 1632	1042
Demonstrations and research—high-speed ground transportation—23 U.S.C. 1639	1042
Elderly or handicapped:	
Demonstrations—meeting needs of—23 U.S.C. 1612(c)	1039
Meeting needs of—23 U.S.C. 1612	1038
Research—meeting needs of—23 U.S.C. 1612(c)	1039
Environmental protection—23 U.S.C. 1610	1038
Grants: Transportation facilities—Sec. 202, Housing Amendments of 1955	1155
Highway research—23 U.S.C. 307	1035
Loans—Sec. 202, Housing Amendments of 1955; Sec. 116, Housing and Community Development Act of 1974	1155, 1077
Research—high-speed ground transportation—23 U.S.C. 1631	1041
Transfer of functions from Secretary of HUD to Secretary of Transportation:	
Planning—Sec. 11, Urban Mass Transportation Assistance Act of 1970	1039
Reorganization Plan No. 2 of 1968	1040
Variable amortization housing loans—experimental loan insurance program—Sec. 245, National Housing Act	307
Veterans housing: <i>See also</i> : Housing mortgage and loan insurance.	
Coordination—Circular A-95, Office of Management and Budget	911
Condominiums—eligible for VA loans, loan guarantee or loan insurance—38 U.S.C. 1810(a) (6); Emergency Housing Act of 1975	758
Defects in—correction by VA—38 U.S.C. 1827	775
Disaster assistance—38 U.S.C. 1820(f)	772
Emergency home financing assistance—Emergency Home Purchase Assistance Act of 1974	681
Equity skimming—Sec. 912, Housing and Urban Development Act of 1970	387
Farms and farm homes—eligible for loans, loan guarantee, or loan insurance by VA—38 U.S.C. 1810	758
Flood insurance requirement—Flood Disaster Protection Act of 1973	1245
Forbearance by lenders—38 U.S.C. 1816	762
Guarantee of home loans:	
Amount of guarantee—38 U.S.C. 1810(c)	759
Automatic guarantee—38 U.S.C. 1802(d) (1), 38 U.S.C. 1803	752, 753
Eligibility for —38 U.S.C. 1802; 38 U.S.C. 1810; 38 U.S.C. 1818	751, 758, 764
Mobile homes—38 U.S.C. 1819	764
Hospitalized—38 U.S.C. 1825	774
Escrow accounts—38 U.S.C. 1806	757
Interest rate limits—38 U.S.C. 1803(c); Sec. 3, Public Law 90-301	753, 379
Mobile homes—38 U.S.C. 1819(f)	768
Loan guaranty revolving fund—38 U.S.C. 1824	774
Minimum property requirements—38 U.S.C. 1804	754
Mobile homes—38 U.S.C. 1819	764
Mobile homes and mobile home lots—38 U.S.C. 1819	764
Occupancy requirements—38 U.S.C. 1804(c)	755
Release of veteran from liability under guaranteed loan—38 U.S.C. 1817	763
Warranty required—38 U.S.C. 1805	756
Mobile homes—38 U.S.C. 1819	764
Water and sewer facilities requirement—38 U.S.C. 1804(e)	756
Housing credit shortage areas—direct loans in—38 U.S.C. 1811	759
Improvements or repairs—eligible for VA loans, loan guarantee, or loan insurance—38 U.S.C. 1810	758

INDEX

	Page
Insurance of loans by VA:	
Eligibility for—38 U.S.C. 1802, 38 U.S.C. 1810; 38 U.S.C. 1815: 38 U.S.C. 1818; 38 U.S.C. 1825	751, 758, 774
Escrow accounts—38 U.S.C. 1806	757
Interest rate limits—38 U.S.C. 1803(c); Sec. 3, Public Law 90-301	753, 379
Minimum property requirements—38 U.S.C. 1804	754
Occupancy requirements—38 U.S.C. 1804(c)	755
Release of veteran from liability under insured loan—38 U.S.C. 1817	763
Warranty required—38 U.S.C. 1805	756
Water and sewer facilities requirement—38 U.S.C. 1804(e)	756
Insurance of home loans by HUD: Secs. 203, 220, 243, National Housing Act	185, 223, 302
Interest rate limit:	
Guaranteed home mortgages eligible for purchase by GNMA—Sec. 3, Emergency Home Purchase Assistance Act of 1974	682
Rate loan market demands—consultation with Secretary of HUD—38 U.S.C. 1803(c); Sec. 3, Public Law 90-301	753, 379
Mobile homes—38 U.S.C. 1819(f)	768
Interest subsidy payments—Sec. 243, National Housing Act	302
Loans:	
Direct Loan Revolving Fund—38 U.S.C. 1823	772
Eligibility for—38 U.S.C. 1802, 38 U.S.C. 1810, 38 U.S.C. 1811; 38 U.S.C. 1818; 38 U.S.C. 1825	751-774
Escrow accounts—38 U.S.C. 1806	757
Forbearance by VA—38 U.S.C. 1816	762
Housing credit shortage areas—eligible for loans—38 U.S.C. 1811	759
Interest rate limits—38 U.S.C. 1811	759
Limits on amounts—38 U.S.C. 1811	759
Minimum property requirements—38 U.S.C. 1804; 38 U.S.C. 1811	754, 759
Mobile homes and mobile home lots—38 U.S.C. 1819	764
Occupancy requirements—38 U.S.C. 1804(c)	755
Release of veteran from liability under the loan—38 U.S.C. 1817	763
Sale and guarantee of loans by VA—38 U.S.C. 1811(g)	760
Specially adapted housing eligible for—Sec. 1811(i)	761
Water and sewer facilities requirement—38 U.S.C. 1804(e)	756
Participation sales—38 U.S.C. 1820(e)	771
Rural housing:	
Farms and farm homes—eligible for VA loans, loan insurance, or loan guarantee—38 U.S.C. 1810	758
Loans—38 U.S.C. 1811	759
Preferences to by Farmers Home Administration—Sec. 507, Housing Act of 1949	709
Sale of housing loans—and guarantee—38 U.S.C. 1811(g)	760
Virgin Islands: See also: Territories	
HUD loan insurance—Sec. 201(d), National Housing Act	184
Rural housing assistance—Title V, Housing Act of 1949	701
Yield insurance—rental housing—Sec. 713(q), National Housing Act	345
Water: See also: Community facilities; Environment	
Federal Water Pollution Control Act Amendments of 1972	991
Rural village study on adequate sanitation services, Sec. 113 of the Federal Water Pollution Control Act Amendments of 1972	994
Sewage collection system funding—Excerpt from the Clean Water Act of 1977	995
Water and air pollution—prevention, control and abatement at Federal facilities—Executive Order 11507	1404
Water resources planning: See: Environment for River Basin Commissions established	
Water development—loans and loan insurance—grants—7 U.S.C. 1923, 1926, 1942	1277, 1278, 1290
Water Resources Council, title 42, U.S.C., subch. 1, sec. 1962a	1519
Watershed protection—loans and loan insurance—7 U.S.C. 1931	1287

INDEX

Veterans housing—Continued

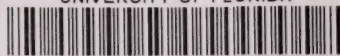
Page

Workable program for community improvement:

Housing mortgage insurance, FHA—program required—Sec. 101 (c), Housing Act of 1949-----	1104
Rehabilitation loans—Sec. 312, Housing Act of 1964-----	479
Urban renewal requirement—Sec. 101(c), Housing Act of 1949--	1104
Yield insurance—rental housing—Title VII, National Housing Act--	337
Youth Employment and Demonstration Project, Excerpts from P.L. 95-93 -----	24



UNIVERSITY OF FLORIDA



3 1262 09121 4998